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DELAWARE DATA BOOK

STATE FLAG

Dear Business Executive:

I cordially invite you to explore the many unique opportunities Delaware offers. Delaware can give your business the competitive edge so vital in today's business climate.

Delaware is strategically located for easy access to national and world markets. It offers attractive business costs; a stable financial climate; modern transportation and communication facilities; and an expanding, well-educated and productive labor force.

My Administration is pursuing new initiatives in financial services, high-technology and food processing in an attempt to further diversify our economy and to help keep Delaware at the forefront of emerging technologies. Delaware also provides business tax incentives and a professionally staffed Development Office to work with you to make your transition to Delaware as smooth as possible.

The 1991 Delaware Data Book provides comprehensive information on such things as our economy, taxes, labor, education, cost-of-living comparisons, cultural attractions, and recreational amenities. After reviewing the enclosed material, I am confident that you will agree that Delaware is an outstanding place to live and work.

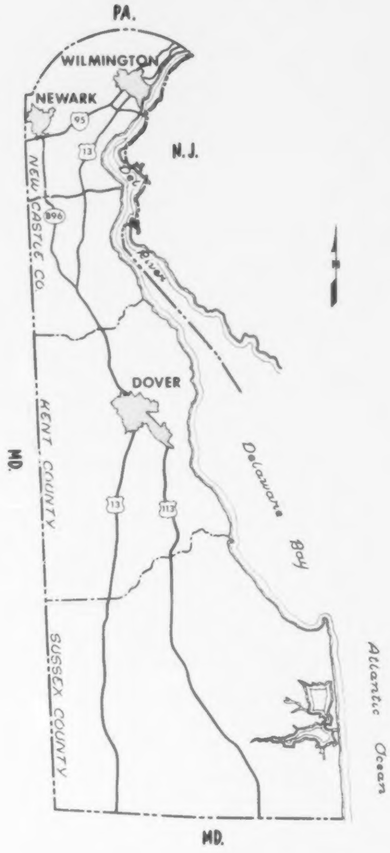
Whether you are an existing Delaware business or are considering Delaware as a new corporate home, I invite you to contact the Development Office regarding any type of assistance you may require or if you have any questions about our state.

Sincerely,

Mike Castle

Michael N. Castle
Governor

DELAWARE SMALL WONDER



Delaware, located on the eastern seaboard of the United States, is bordered by the Atlantic Ocean and the Delaware Bay, as well as by the states of New Jersey, Pennsylvania, and Maryland. With a land area of 1,982 square miles, Delaware ranks 49th in area among the 50 states.

Delaware's location affords easy access to the major metropolitan areas of the Northeast with both New York City and Washington, DC just an hour and a half away.

The State has three counties, New Castle, Kent, and Sussex. All of the cities and towns in the State are independent, incorporated municipalities. There are three major cities in the State: Wilmington, with a population of 72,000; Dover, the State capital, with a population of 28,000; and Newark, the site of the University of Delaware with 25,000 people.

The United States Census indicates Delaware is the fourth least populated state in the country, with approximately 666,000 people calling the First State their home. Yet only six other states are more densely populated. New Castle County is the most densely populated of the three counties. However, the population growth in the two southern counties has exceeded the national average.

Dominated by the chemical and automotive industries, manufacturing is the largest source of State income and the third largest employer; closely following services and trade. Financial services and tourism continue to be important factors in the State's economy. The State's major tourist attractions include unique historic sites and museums, and miles of ocean beaches and bay shoreline.

Agriculture plays a vital part in the State economy, with poultry accounting for over two-thirds of agricultural receipts. Soybeans, corn and dairy products are also primary farm products, and one-half of the State's land acreage is used for farming.

Delaware's average income levels are quite high by national standards.

Since 1982, 87,200 net new jobs have been created in the Delaware economy, a 33.6% increase. The State's labor force has kept pace with this growing job market by expanding faster than the national average over the same period. The State boasts not only labor quantity but quality as evidenced by the latest edition of Who's Who in Technology which illustrates that Delaware has more scientists and engineers per capita than any other state in the nation.

The State has seven institutions of higher education, three of which are State-supported, including the University of Delaware, a nondenominational land grant college. Other State-supported institutions are Delaware State College and Delaware Technical and Community College. There are also four private schools awarding post-secondary degrees.

The quality of Delaware's public education system is evidenced by the above-average performance by Delaware students on the Scholastic Aptitude Test, and at most grade levels on the Stanford Achievement Test.

Delaware's high quality of life is not accompanied by a high price tag. Cost of living comparisons conducted by Runzheimer and Company, as well as several other studies conducted by recognized experts, indicate many of the costs associated with living and doing business in Delaware are far below those experienced in the neighboring states.

SECTION I

ECONOMIC OVERVIEW

Delaware's economy has shown dramatic improvement in the past ten years, partially in response to stable fiscal policies, careful debt management, conservative spending programs, and personal income tax reductions. To help strengthen the State's economy further, the State has created the Delaware Development Office. This section describes these programs and their importance for business expansion and the role of the Development Office in pursuing this objective.

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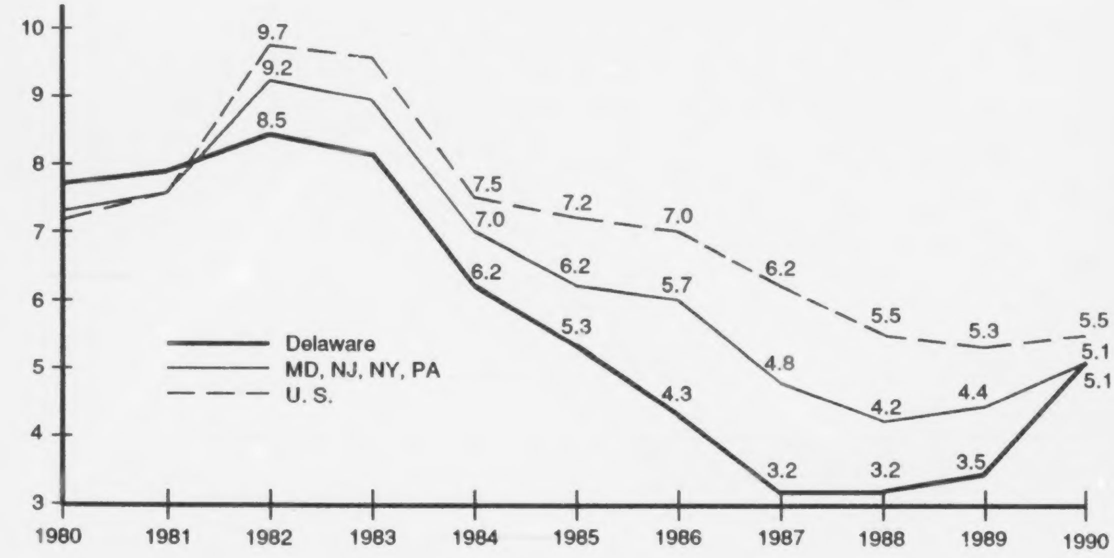
DELAWARE'S ECONOMIC IMPROVEMENT IN 1990 :

During 1990, Delaware's economy felt the impact of the national recession. However, Delaware's economy remains strong. For example:

- Per capita personal income (1989) increased by 8% and is 8.8% higher than the national average.
- The number of firms incorporated in Delaware grew by 6,000, to a total of 203,900, and includes more than half of the "Fortune 500" companies.
- One new financial institution was granted a charter in Delaware, bringing the total to thirty major financial institutions which have established Delaware operations since the passage of the Financial Center Development Act.
- The number of jobs in the State grew by 1,900, bringing the total number of jobs created since 1982 to 87,200.
- Delaware's gross state product increased an estimated 7.9%.

Unemployment Below the National Average

(Percent)



Source: U. S. Department of Labor and Labor Departments, DE, MD, NJ, NY, and PA, 3/91.

A STRONG STATE GOVERNMENT FINANCIAL POSITION :

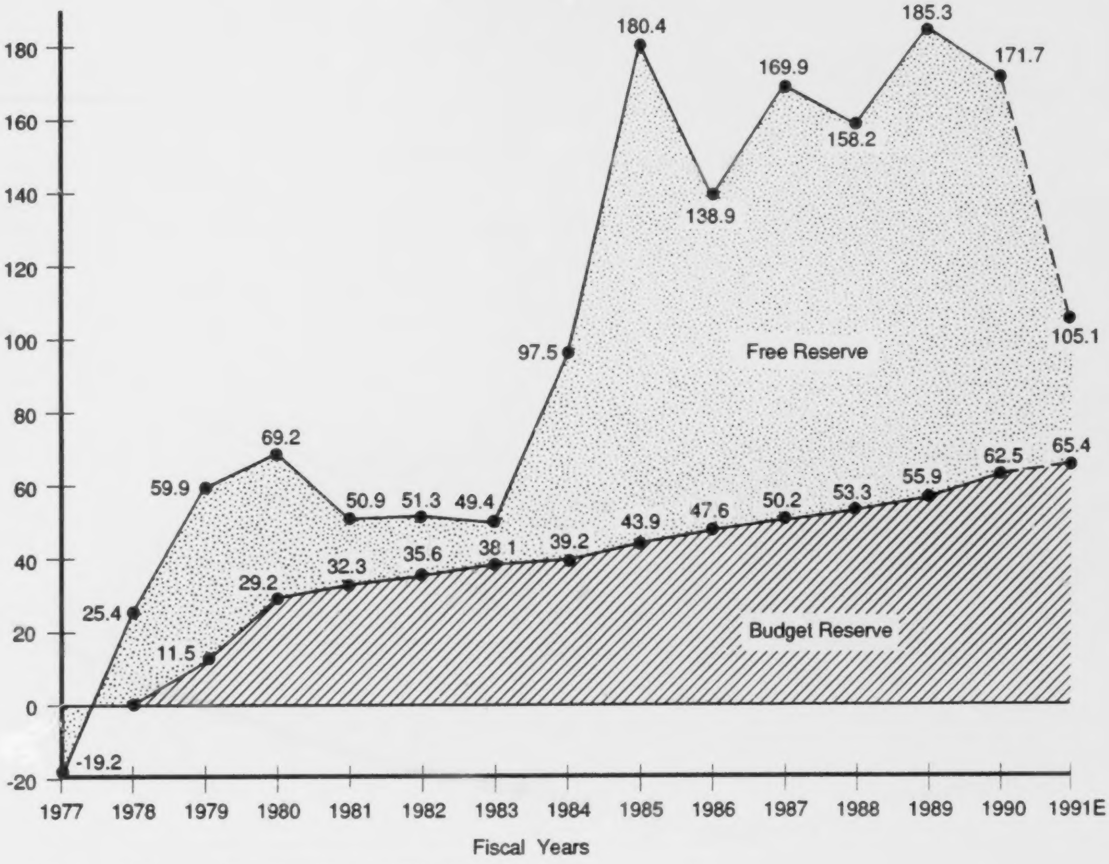
Moody's Investor Service has indicated that Delaware and Alaska were the only two states to improve their financial strength during the recent recession. The following illustrates the progress that Delaware has made in the past few years toward economic health and the improved financial stability:

- Adoption of constitutional limits on appropriations.
- Realization of cash surpluses in the operating budget for the last ten consecutive years.
- Establishment and full funding of a Budgetary Reserve Fund to ensure against unexpected revenue losses.
- Adoption of a constitutional amendment requiring a 3/5 majority in both Houses of the General Assembly to increase existing State taxes or enact new taxes.
- Six reductions in State personal income tax rates, reducing the top rate from 19.8% to 7.7%.
- A decrease of long-term debt obligations relative to the size of the budget.
- Five upgradings of the State's bond ratings by Moody's Investor Service, and Standard and Poor's Corporation. Moody's current rating is Aa and Standard and Poor's current rating is AA+.
- Financing the State pension fund under actuarially sound accounting procedures increases the asset to liability funding ratio from 22.0% in 1976 to 100% in 1990.
- Early repayment of the State's debt to the Federal Unemployment Trust Fund, thereby eliminating the 0.6% Federal Unemployment Insurance Tax penalty on Delaware employers.
- Conversion to generally accepted accounting procedures by all State agencies.
- Use of fees for State banking services instead of maintaining compensating balances.

STATE MAINTAINS A HEALTHY RESERVE :

Not only has the State maintained controls on expenditures, but Delaware's spending limit now automatically guarantees a continuing surplus. Delaware's Constitution requires the maintaining of a budgetary reserve fund equal to 5% of State estimated revenue for the next fiscal year. Access to this fund is possible only when there are unexpected revenue shortfalls or if there is a legislative reduction in tax rates.

Cumulative Cash Balance
(Millions of Dollars)



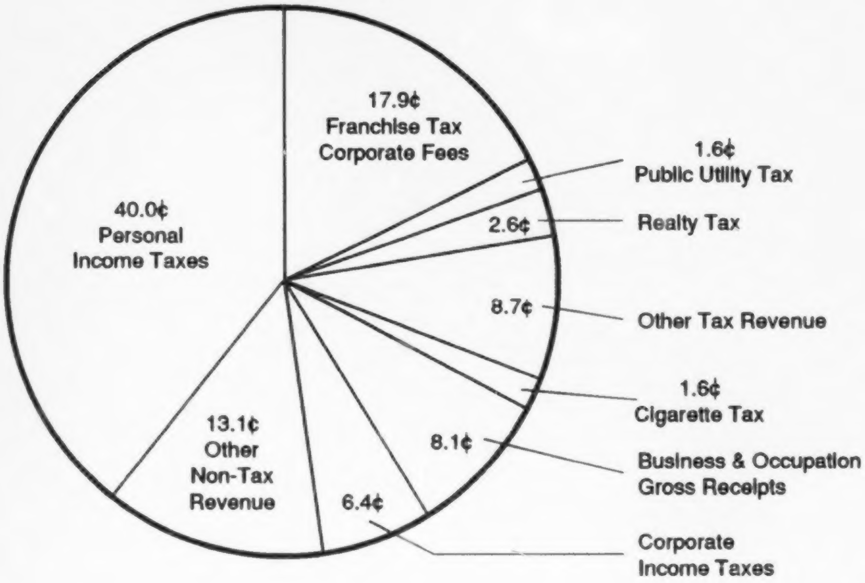
Source: Delaware Office of the Budget, 2/91.

The cumulative cash balance shown above consists of the Budget Reserve, or "Rainy Day Fund" built up from prior years, and the Excess Reserve. The Excess or "Free" Reserve Fund must be used first to cover prior years' commitments and then may be used to pay for nonrecurring expenditures. In Fiscal Year 1986, Delaware established a $40 million First State Improvement Fund from the State's cash surplus to be used primarily for capital projects over four years.

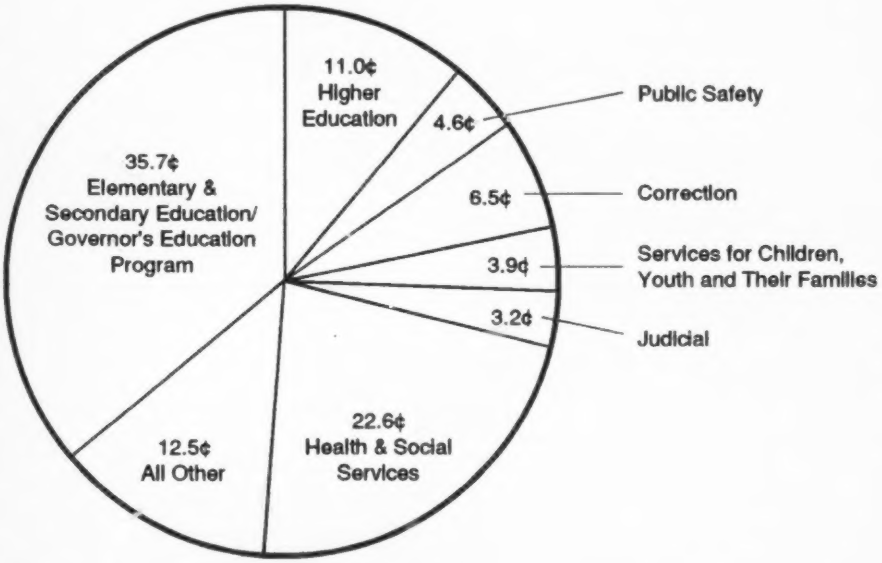
SOURCES AND USES OF STATE FUNDS :

Fiscal Year 1992 Budget Dollar

Projected Revenues
Where it comes from . . . .
(Net of refunds)



Proposed Budget
Where it goes . . . .*



*One-Time Items are Included in the Departments

Source: Delaware Office of the Budget, 1991.

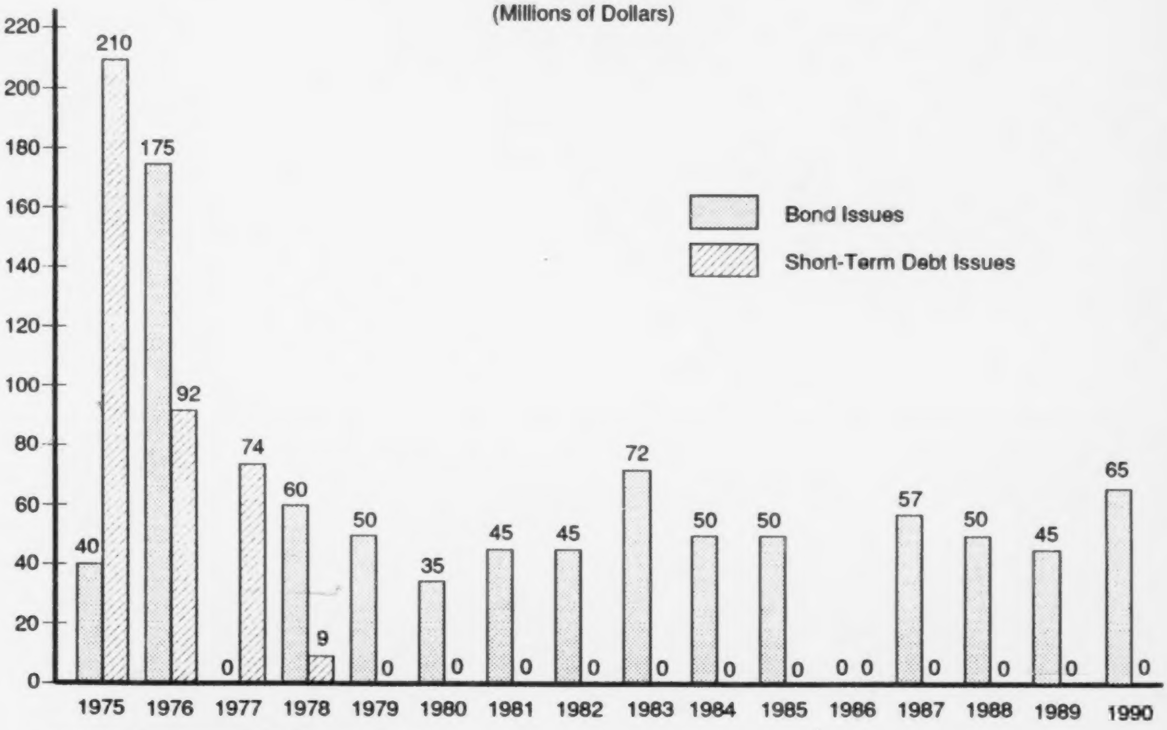
EXCELLENT DEBT MANAGEMENT :

The State's debt management program, begun in 1977, limits new bond authorizations and eliminates all short-term borrowings. State law now restricts new general obligation debt authorizations to 75% of principal retirement in the prior fiscal year. Capital expenditure budgets have been carefully monitored, debt sales have been regularized, and the term of the bonds have been more closely matched to the life of the projects being funded.

As a result of this management program, Moody's Investor Service has raised the State's bond rating three times, now Aa; Standard and Poor's has also increased the State's rating and now rates Delaware's General Obligation paper at AA+.

New authorizations for Fiscal Year 1980 through Fiscal Year 1989 have averaged $45.2 MM compared to an average of $54.2 MM for the period from Fiscal Year 1973 through Fiscal Year 1979. In Fiscal Year 1987 the State advance refunded $53.1 MM of outstanding general obligation debt which carried coupon rates as high as 9.75% in exchange for an issue that carried a 6.89% rate. In Fiscal Year 1986, the State defeased $15.1 MM in outstanding general obligation bonds and in Fiscal Year 1989 the State again used surplus general funds to defease an additional $26.8 MM in outstanding general obligation bonds.

State Borrowings
1975 -1990
(Millions of Dollars)

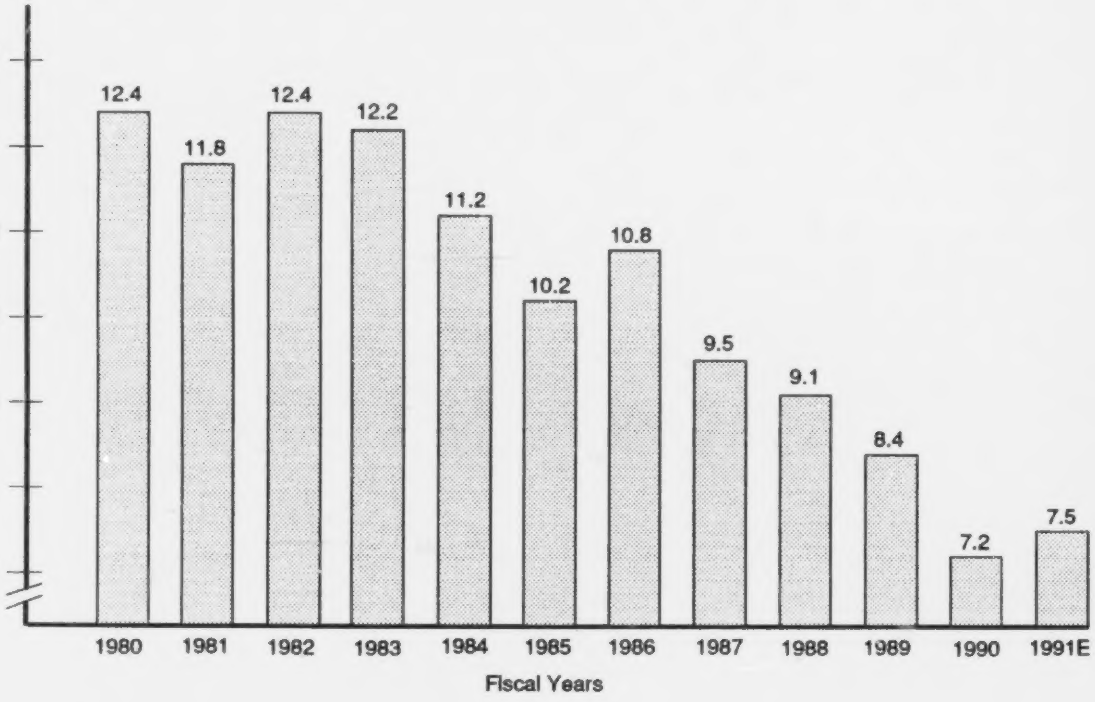


Source: Delaware State Treasurer, 1/90.

EXCELLENT DEBT MANAGEMENT (continued) :

The improvements in the State's debt ratios have been dramatic. General obligation debt per capita was $910 in 1980, and has fallen to $674 in 1990. Debt per capita as a percent of per capita income has fallen from 8.9% in 1980 to 3.4% in 1990. Debt service as a percent of net General Fund receipts has fallen from 16.8% in Fiscal Year 1980 to 7.2% in Fiscal Year 1990.

Debt Service As A Percent Of
General Fund Receipts
(Percent)



Source: Delaware Department of Finance, 2/91

ROLE OF THE DELAWARE DEVELOPMENT OFFICE :

The Office is headed by a Director who reports to the Governor and has cabinet status. It was established in 1981 specifically to encourage the expansion of existing industry and to attract new business and tourism to the State.

The Office has professional specialists in:

- Business Development - Recruiting of new business and industry to Delaware. Maintains contact with existing business and industry to encourage growth and expansion. Business Development representatives also provide assistance to firms experiencing regulatory problems with government agencies, and recommend improvements in State programs that affect the business community.
- Education, Training, and Recruitment - Coordinating resources to provide an appropriately skilled work force to meet the needs of business and industry. This division assists employers with recruitment, develops and underwrites training programs, and provides information regarding the labor situation.
- Business Finance - Offering several special financing programs to assist businesses which will add to Delaware's employment base. Financing representatives can assist businesses in processing finance applications efficiently and entire financings can be closed within nine weeks when the borrowers' needs are not unusual.
- Business Research - Collecting, analyzing and distributing statistical data on the State's economy and business climate, and developing research that responds to client concerns. Production and distribution of business-related publications are also part of this group's responsibilities.
- Small Business - Offering advisory assistance to small business persons. Coordinates the small business efforts of the various organizations statewide that serve small business persons. Sponsors small business events and programs. Provides staff assistance to the Governor's Council on Small Business, the Urban Community Revitalization Study Task Force, and the Governor's International Trade Council.
- External Affairs - Coordinating the various promotional aspects of the Delaware Development Office for better communications with the media, public and tourism/business interests through in-state and out-of-state publicity, presentations and exhibits. In response to film industry inquiries, provides location scouting, local and state government liaison and arranges vital support services. The Delaware Tourism Office develops and implements statewide, regional, national and international tourism marketing programs promoting Delaware and its travel industry.

SECTION II

TAXES

Delaware has recently reduced its personal income taxes at all income levels. The State has never had a general sales tax or an inventory tax. There are no State real property taxes, and the local real property taxes are very low. The total State and local tax burden in Delaware is competitive with most other states.

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TAX ADVANTAGES IN DELAWARE :

The State of Delaware has adopted a clear, bipartisan policy to attract new business and encourage the expansion of existing operations. Key tax features which now make Delaware more competitive include:

- A Constitutional requirement that any increase in existing State taxes, or new State taxes, be adopted by a super-majority vote (3/5) in the State Legislature.
- A Constitutional limit on State appropriations which works to relieve pressure on the tax structure and to build surpluses for potential tax reductions.
- No State or local general sales taxes.
- A regressive bank franchise tax structure ranging from 8.7% of bank net income up to $20 million to 2.7% for all bank net income over $30 million.
- An improved structure for unemployment insurance taxation that includes accelerated experience ratings for new employers.
- No unitary tax.
- Tax credits on corporate income and reduction of gross receipts taxes for new and expanded businesses.
- Additional tax credits on corporate income and reduction of gross receipts taxes for new and expanding businesses locating in 30 targeted census tracts.
- Property tax relief for new construction and improvements of existing property.
- Real property taxes which are among the lowest in the country.
- No personal property or inventory taxes.
- The exemption of certain investment and holding companies from corporate income taxation.
- No fixtures tax.
- The adherence of the State tax structure to the federal definition of corporate net income so that companies may take full advantage of the federal tax law change allowing more rapid depreciation of newly purchased assets.
- Two approved foreign trade zones will allow the deferment of import taxes.
- Public Utility Tax rebates of 50% on increased consumption for qualifying industries.

TAXES APPLYING TO BUSINESS :

Businesses should note that Delaware has no tax on inventories and no tax on process machinery or equipment. Businesses and individuals alike will be pleased to find no sales tax, no personal property tax, no unitary tax, and no State-level real property tax in Delaware.

Corporate Income Tax

The tax rate is 8.7% on net income. Taxes are not paid on interest from United States or State of Delaware obligations or subdivisions of either, nor on gains from the sale of United States or Delaware securities. Taxes are not paid on dividends of foreign corporations which qualify for, and claim, foreign tax credit on federal returns. Investment and holding companies maintaining and managing intangible investments and collecting and distributing income from such investments or from tangible property outside Delaware are exempt from State corporate income tax.

Income from securities, rents and royalties, patent and copyright royalties, and gains and losses from the disposition of real property is allocated directly to the states where the property is physically located or where the transaction took place, reduced by applicable expenses.

For those businesses which operate interstate, unallocated corporate income is based on an equally weighted three-factor formula that averages the ratios of: (1) Delaware property to total property, (2) Delaware wages to total wages, and (3) Delaware gross receipts to total gross receipts. The apportionment formula is applied to a company's entire taxable income, excluding allocated income.

Partnerships and sole proprietorships are not subject to State income taxes. Individuals carrying on business as partners or sole proprietors are liable for personal income taxes imposed by the State only on their proportionate share of partnership or proprietorship income. The business may be subject to occupational and/or business license fees as well as a gross receipts tax.

TAXES APPLYING TO BUSINESS (continued) :

Bank Franchise Tax

The rate of tax on the net income of banks, trust companies, and national banks is 8.7% of net income not in excess of $20,000,000; 6.7% of net income in excess of $20,000,000 but not in excess of $25,000,000; 4.7% of net income in excess of $25,000,000 but not in excess of $30,000,000; 2.7% of net income in excess of $30,000,000. Net income, for State tax purposes, equals net income reported on line eight of the FDIC Consolidated Report of Income. This income definition allows a 100% deduction for federal income taxes paid.

Corporation Franchise Tax

A domestic corporation may be established under the General Corporation Law of Delaware by filing the proper documents with the Secretary of State. The initial cost is based on a company's authorized capital stock, either (A) par value stock or (B) no par value stock, as follows:

A.	Par Value Stock	
	Up to $2,000,000	$.10 per $1,000
	Over $2,000,000 to $20,000,000	$.05 per 1,000
	Over $20,000,000	$.02 per 1,000
B.	No Par Value Stock	
	Up to 20,000 shares	$.0050 per share
	Over 20,000 shares to 2,000,000 shares	$.0025 per share
	Over 2,000,000 shares	$.0020 per share

Once a corporation has established Delaware as its legal home, the annual franchise tax includes:

A.	Annual Report Filing Fee	$10.00
B.	Tax (lesser amount computed by (1) or (2) below):	
1.	Authorized shares - par or no par:	
	3,000 shares or less	$30.00 per year
	3,001 shares to 5,000 shares	35.00 per year
	5,001 shares to 10,000 shares	70.00 per year
	Each additional 10,000 shares or part thereof	35.00 per year

2. Assumed par value capital (for stock having a par value under $100, divide total gross assets by number of issued shares to determine assets per share):
   a. Multiply assets per share by number of authorized shares whose par value is less than assets per share.
   b. Multiply number of authorized shares with a par value greater than assets per share by their respective par values.
   Add (a) and (b) above to determine assumed par value capital. The rate of tax is $140 per $1,000,000 of assumed par value capital.

Whether the franchise tax is computed according to (1) or (2) above, the minimum tax is $30 per year, and the maximum tax is $130,000 per year.

TAXES APPLYING TO BUSINESS (continued) :

License Fees and Gross Receipt Taxes

Most occupations and businesses require the purchase of a license in order to operate legally in Delaware. Although license fees are minimal, several types of businesses, including those listed below, are required to pay a gross receipts tax in addition to the business license fees. Gross receipts tax information for types of businesses other than those listed below may be obtained from the Delaware Development Office.

- Manufacturers - $50 annual fee for each place of business, plus a tax of 0.25% on the gross receipts for all goods manufactured in Delaware, regardless of the location of sale. In computing monthly gross receipts, the first $600,000 in receipts are not subject to taxation.
- Wholesalers - $50 annual fee for each place of business, plus a tax of 0.4% on the gross receipts of all goods sold within Delaware. In computing monthly gross receipts, the first $20,000 in receipts are not taxable. Manufacturers which also wholesale their products are subject to both the manufacturing and wholesale tax on gross receipts.
- Retailers - $50 annual fee, plus $10 for each separate branch or additional business location. Each retailer pays an additional tax of 0.75% on the aggregate receipts in excess of $35,000 per month.
- Restaurants - $50 annual fee, plus $10 for each separate branch or location, plus an additional fee of 0.65% on aggregate receipts in excess of $35,000 per month.
- Food Processors - $50 annual fee for each place of business, plus a tax of 0.2% on gross receipts, in excess of $13,000 per month, from all goods sold within Delaware.

Miscellaneous Taxes and Fees

1. Motor fuels - $.19 per gallon.
2. Realty Transfer Tax - 2% of the gross sale price (1% by buyer and 1% by seller).
3. Lease/Use Tax - 2% annually on equipment rentals, including automobiles, payable by the lessee.
4. Property Rental Tax - 0.4% on gross rentals of commercial property.
5. Public Utilities Tax - 4.25% excise on nonresidential consumption for:
    a. Electricity used for any heat, light, or power. (Charges for electricity used in electrolytic, electroarcthermal, and air separation manufacturing processes are exempt, also see Public Utility Tax Incentives, Page II-13.)
    b. Natural gas piped from a distribution center to the user. (Charges for electricity used in electrolytic, electroarcthermal, and air separation manufacturing processes are exempt from taxation. Also see Public Utility Tax Incentives, Page II-13.)
    c. Intrastate telephone and telegraph communication services.
    d. Cable television communication services.
6. Motor Vehicle Registration Fee
    a. Passenger cars, station wagons - $20 flat rate annually.
    b. Commercial trucks, trailers, semi-trailers, and recreation vehicles - $20 annually for gross weight of 5,000 pounds or less, plus $2.60 for each additional 500 pounds, and $20 per trailer up to three semi-trailers.
7. Motor Vehicle Document Fee (payable at time certificate of title is issued) - 2% of net purchase price - minimum fee, $8.

TAXES APPLYING TO BUSINESS (continued) :

Real Property Taxes

County and municipal governments, and school districts are financed in part through real property tax receipts. Real estate is subject to county property taxes, school district property taxes, vocational school district taxes, and if located within an incorporated area, municipal property taxes. There is no State-level tax on real or personal property. The total property tax burden depends on the tax rate, the property assessment, and the assessment ratio. These variables differ by geographic location in Delaware, with nominal tax rates ranging from $0.75/$100 of assessed value in rural Kent County to $4.08/$100 of assessed value within the Town of Laurel. A chart follows which shows the total real property tax burden on selected locations for three representative business properties. The Delaware Development Office can provide property tax information for all geographic areas within the State.

Property Tax Per Square Foot
1991

Location and School District	Industrial Property 30,000 Square Feet $600,000 Market Value	Industrial Property 231,306 Square Feet $3,932,000 Market Value	Commercial Property 23,000 Square Feet $300,000 Market Value
New Castle County - Unincorporated, Brandywine	$0.162	$0.138	$0.106
City of Wilmington, Red Clay	0.234	0.198	0.152
Kent County - Unincorporated, Milford	0.086	0.073	0.056
City of Dover, Capital	0.174	0.148	0.113
Sussex County - Unincorporated, Woodbridge	0.077	0.065	0.050
City of Seaford, Seaford	0.148	0.126	0.096
Chicago, Illinois	$1.483	$1.260	$0.967
Baltimore, Maryland	0.503	0.428	0.328
Boston, Massachusetts	0.502	0.428	0.327
Washington, DC	0.406	0.345	0.265
Trenton, New Jersey	0.646	0.549	0.422
New York, New York	0.893	0.759	0.582
Cleveland, Ohio	0.475	0.404	0.310
Philadelphia, Pennsylvania	0.529	0.450	0.345

Source: Tax Assessor's Office from relevant jurisdictions.

TAXES APPLYING TO BUSINESS (continued) :

Examples of Effective Real Property Tax Rates in Delaware

Place	Rate/$100 Assessment	Effective Tax Rate/$100 Market Value
Dover, Capital School District Kent County	$1.6490	$0.8723
Houston, Milford School District Kent County	0.9310	0.4831
Frederica, Lake Forest School District Kent County	1.3810	0.7167
Wilmington, Christina School District New Castle County	1.7333	1.2757
Elsmere, Red Clay School District New Castle County	1.7953	1.3213
Bellefonte, Brandywine School District New Castle County	1.2203	0.8981
Henlopen Acres, Cape Henlopen School District Sussex County	3.1650	0.6140
South Bethany, Indian River School District Sussex County	2.4120	0.4679
Greenwood, Woodbridge School District Sussex County	2.4750	0.4802

Low Real Estate Tax Burdens

Delaware homeowners' property tax burden is considerably less than those of the surrounding area as well as the national average. This is due in part to the more affordable housing available in Delaware. Runzheimer and Company, Incorporated estimated that the typical $30,000 income family's housing costs, for housing with similar characteristics, would be less expensive in Delaware than in the neighboring states, as illustrated. The tax burden is also heavily influenced by Delaware's low tax rates. For example, property taxes in Dover are 45% of the national average, while the Wilmington tax burden is only 37% of the national average.

TAXES APPLYING TO BUSINESS (continued) :

Real Estate Tax Burden Comparison 1990
($30,000 Family Income)

		Annual Real Estate Taxes		
	Current Home Market Value	Dollars	Percent of Home Market Value	Index
Dover, DELAWARE	$ 63,500	$ 526	.83	55.2
Wilmington, DELAWARE	77,800	427	.55	36.6
Washington, DC	140,400	1,569	1.12	74.5
Chicago, Illinois	114,600	1,836	1.60	106.8
Baltimore, Maryland	110,100	1,338	1.22	81.0
Salisbury, Maryland	71,200	1,080	1.52	101.1
Trenton, New Jersey	116,000	2,579	2.22	148.2
New York, New York	132,500	2,299	1.74	115.6
Philadelphia, Pennsylvania	118,000	1,032	.87	58.3
Harrisburg, Pennsylvania	87,400	984	1.13	75.0
Wilkes-Barre, Pennsylvania	88,000	1,295	1.47	98.1
Boston, Massachusetts	146,300	1,664	1.14	75.8
Raleigh, North Carolina	81,800	1,019	1.25	83.0
Standard City, U.S.A.	77,300	1,160	1.50	100.0

Source: Runzheimer and Company, Inc., Rochester, Wisconsin, January 1991.

Delaware uses the same property tax rate structure for both commercial and residential property. As a result, businesses can expect the same favorable property tax burden in Delaware as homeowners enjoy.

Withholding of Employee's Income Taxes

Every employer is required to deduct and withhold income taxes from wages and other remuneration paid to employees. The State Division of Revenue is responsible for approving employers' plans to insure that total withholdings will approximate each employee's estimated tax liability. Withholdings are deducted from each payroll and submitted to the State Division of Revenue.

Unemployment Compensation

Unemployment insurance taxes are currently limited to wages of $8,500 paid to any individual employee during a calendar year. The State imposes unemployment compensation tax rates on new and established employers according to the following procedures:

TAXES APPLYING TO BUSINESS (continued) :

- New employers - Nonconstruction industry employers are assigned a new employer rate equivalent to the average industry classification rate of all covered employers. The new, nonconstruction, employer rate for 1991 is 2.1%. New construction employers (SIC 15, 16, and 17) are assigned the higher of (1) the average of all employers in the new employers four-digit SIC classification or (2) the average construction industry rate. The minimum new construction industry employer rate for 1991 is 4.2%.

- Established employers are assigned earned rates, which are based on the employer's and the State's unemployment experience, and range from a minimum of 0.1% to a maximum of 8.0% of the taxable wage base. These rates are established after two consecutive years of operation.

- All employers are currently assessed a supplemental rate between 0.9% and 1.5%. Supplemental rates are based on an employer's assigned or earned rate as follows:

Basic Assessment Rate		Supplemental Assessment Rate		Effective Assessment Rate
0.1 - 3.9%	+	0.9%	=	1.0 - 4.8%
4.0 - 5.9%	+	1.1%	=	5.1 - 7.0%
6.0 - 7.9%	+	1.2%	=	7.2 - 9.1%
8.0%	+	1.5%	=	9.5%

- The Blue-Collar Jobs Act of 1984 instituted a 0.1% State assessment on wages paid by employers which are subject to State Unemployment Insurance taxes. Although collected by the State's Division of Unemployment Insurance, the tax is not an unemployment compensation tax but will be used to fund new job training activities.

TAXES APPLYING TO BUSINESS (continued) :

Workers' Compensation

In Delaware, the Workers' Compensation Law is administered by a five-member Industrial Accident Board. This law provides for sure, prompt, and reasonable income and medical benefits to work accident victims, or income benefits to their dependents by mutual agreement or Board decision. The law also serves to relieve employers of liability from common lawsuits involving negligence.

All employers must provide Workers' Compensation coverage for their employees through an outside insurer or, with the approval of the Industrial Accident Board, through self-insurance. Rates are established by the Delaware Compensation Rating Bureau, with final approval required from the State Insurance Commissioner.

Examples of the rates for outside insurers which apply to a sample of risk classes are given below. A company with employees in more than one risk class must pay the assessed rate on each class of employee. Rates for other classes are available from the Delaware Development Office.

Risk Class	Rate (Per $100 of Payroll)	Minimum Annual Premium (Per Risk Class)
Clerical	$ 0.39	$ 130
Instrument Manufacturer	1.42	205
Drug and Medicine Manufacturer	2.32	275
Machine Shop	5.72	530
Fuel Distribution	6.07	555
Hardware Manufacturer	7.28	645
Masonry	9.85	840
Sheet Metal Work (Shop)	7.20	640
Steel Foundry	10.71	905

Source: Delaware Compensation Rating Bureau, Delaware Manual of Rules, Classifications and Rates for Workers' Compensation and for Employer's Liability Insurance, revised July 1990.

If an employer elects to self-insure, the State taxes the employer 4% of the premium that would have been paid to an outside insurance firm.

For the past few years, Delaware's Workers' Compensation benefits have been moderate when compared with the region.

TAXES APPLYING TO BUSINESS (continued) :

Workers' Compensation Benefits

	Minimum Payment	Maximum Payment	Percent of State's Average Weekly Wage
DELAWARE	$ 99.07	$297.21	66.67
Maryland	50.00	432.00	100.00
Pennsylvania	209.50	419.00	100.00
New Jersey	99.00	370.00	75.00
New York	30.00	300.00	NA
Washington, DC	137.87	551.46	100.00
Massachusetts	94.89	474.47	100.00
Illinois	231.84	618.23	133.33
Ohio	209.50	419.00	100.00

Source: U.S. Department of Labor, Employment Standards Administration, State Workers' Compensation Laws, July 1990. Benefits are for permanent total disability provided by Workers' Compensation statutes in the United States.

TAX INCENTIVES :

Targeted Industry Tax Incentives

Corporate Income Tax Credits

Corporate income tax credits and gross receipts tax reductions are available to: (a) manufacturers; (b) wholesalers; (c) laboratories or similar facilities used for scientific, agricultural, or industrial research, development, or testing; (d) any combination of these activities; and (e) the administration and management support required for any of these activities who invest a minimum of $200,000 in a new or expanded facility and hires a minimum of five new employees.

The program provides credits of $250 for each new qualified employee and $250 for each $100,000 investment. During the ten-year life of credits, credits may not exceed 50 percent of the company's precredit tax liability in any one year. Unused credits may be carried forward.

TAX INCENTIVES (continued) :

Gross Receipts Tax Reductions

In addition, qualifying firms may also reduce their gross receipts taxes by the following percentages over a ten-year period.

Years From Start-Up	Reduction In Gross Receipts Tax
1	90%
2	80%
3	70%
4	60%
5	50%
6	40%
7	30%
8	20%
9	10%
10	5%
Over 10	0%

Targeted Area Tax Credits

Corporate Income Tax Credits

Firms which qualify for targeted industry credits and locate in one of the targeted areas, qualify for corporate income tax credits of $500 for each new employee and $500 for each new $100,000 investment. Targeted areas are defined as: (a) real property that is owned by any level of government or any of their agencies; (b) real property owned by a nonprofit organization which is organized and operated solely for the purpose of fostering economic development; (c) real property which has been approved as a Delaware Foreign Trade Zone, and (d) 30 low-income 1980 Census Tracts throughout the State. Maps of the Targeted Census Tracts are available from the Delaware Development Office.

Gross Receipts Tax Reduction

In addition, qualifying firms will not be subject to gross receipts taxes for five years and will then have these gross receipts taxes reduced on a declining scale for a period of ten years as indicated in the table at the top of this page.

TAX INCENTIVES (continued) :

Commercial, Retail Business Tax Incentives

Selected commercial and retail businesses which locate in one of the 30 targeted census tracts and meet the minimum investment and employment criteria, qualify for corporate income tax credits of $250 per new qualified employee and $250 for each $100,000 investment. These businesses also qualify for the ten-year reduction in gross receipts taxes.

Public Utility Tax Rebates for Industrial Users

Industrial firms meeting the criteria for targeted industries tax credits are eligible for a rebate of 50% of the Public Utilities Tax imposed on new or increased consumption of gas and electricity for five years.

Property Tax Incentives

New Construction - City of Wilmington

The City of Wilmington grants property tax reductions for qualifying new construction in targeted areas within the City. These reductions apply only to the portion of the increased assessment attributed to new construction. No tax reduction is granted on land assessments. The City allows a 100% credit on the increased assessments for a period of five or seven years depending on the use of the facility and its location within the City.

Property Improvements - City of Wilmington

The City of Wilmington offers a 100% reduction in property taxes for five or seven years on increased assessments which are attributable to qualified improvements to existing buildings. The length of the reduction is contingent upon the use of the structure and its location within the City.

New Construction and Renovations - New Castle County

New Castle County exempts qualified constructions or renovations within the City of Wilmington from County property taxes at a rate of 100% for the first year, decreasing by 10% a year until the full tax rate is attained. The tax reduction applies only to new construction or renovations. No tax reduction is granted on land assessments.

New Industrial, Manufacturing, Warehousing or Commercial Construction - City of Newark

Newark partially exempts, for ten years, all new industrial, manufacturing, and warehousing enterprises from real estate taxes levied on the increase in assessed valuation of the property attributable to the new construction. The exemption begins at 100% for the first year and decreases 10% annually through the ten-year period.

Partial exemptions are also available for improvements to existing commercial structures and/or new construction in commercial zones. The ten-year exemptions vary by location within the City.

TAX INCENTIVES (continued) :

City of New Castle

New Castle offers a ten-year property tax reduction on the value of new construction which occurs in selected areas of the City. Reductions are 100% the first year, declining by 10% per year.

New Construction and Renovation - City of Dover

Dover grants property tax waivers for eligible residential, commercial or office use projects within a defined target area. The project must have a fair market value of materials and labor which exceeds the sum of $15,000. The tax waiver is for a period of 10 years and applies only to new construction and renovation. No tax reduction is granted on land assessments.

The City of Dover has placed a $1,000 cap on building permit fees for any qualifying project.

The City also offers a 100% waiver of impact fees for eligible projects which maximize land use (e.g., with strong mixed use residential, commercial and office combination).

Kent County Property Tax Abatements

Manufacturers, wholesalers, financial institutions, home offices, and operating units of insurance companies which invest at least $75,000 in a qualifying new or expanded facility and hire four new employees are eligible for Kent County's tax abatement program.

Property taxes are reduced according to the following table.

Years	Reduction
1	90%
2	80%
3	70%
4	60%
5	50%
6	40%
7	30%
8	20%
9	10%
10	0%

PERSONAL TAXES HAVE BEEN LOWERED :

Personal Income Taxes

State personal income taxes for residents are assessed on Delaware taxable income. Delaware taxable income equals Delaware adjusted gross income minus personal exemptions, deductions for federal income taxes paid, and standard or itemized deductions. Delaware adjusted gross income is derived by adding to the federal adjusted gross income any receipts from the securities of states or political subdivisions other than Delaware and its political subdivisions. Income from obligations of the United States, disability and/or elderly credits, and pensions up to $3,000 (age 60 and over) is then deducted from the federal adjusted gross income. Nonresidents are taxed on the portion of income derived from sources within Delaware. The current State tax rate schedule is graduated and includes six rate reductions.

1990 Delaware Personal Income Tax Rates

Delaware Taxable Income	Tax Liability			
$ 0 - $ 2,000			0.0% of income	
2,001 - 5,000	$ 0	+	3.2% of income over	$ 2,000
5,001 - 10,000	96	+	5.0% of income over	5,000
10,001 - 20,000	346	+	6.0% of income over	10,000
20,001 - 25,000	946	+	6.6% of income over	20,000
25,001 - 30,000	1,276	+	7.0% of income over	25,000
30,001 - 40,000	1,626	+	7.6% of income over	30,000
Over $40,000	2,386	+	7.7% of income over	40,000

Source: Delaware Division of Revenue, February 1990.

PERSONAL TAXES HAVE BEEN LOWERED (continued) :

General Sales Tax

Delaware does not impose a general sales tax.

Miscellaneous Personal Taxes

Cigarettes	$0.24 per pack of twenty cigarettes
Beer	4.85 per barrel
Wine	0.97 per gallon
Liquor	3.64 per gallon - 50 proof or less
	5.46 per gallon - more than 50 proof
Public Accommodations	8% of the room charge

LOW PROPERTY TAXES :

Delaware's property taxes are among the lowest of any state, ranking 43rd in the nation. The following table describes average effective tax rates for existing single-family homes with FHA-insured mortgages as a percentage of market value. The data compiled below indicates that owners of a Delaware property with a market value of $100,000 would pay a rate of .68%, or $680.

	1987	1986	1985	1984
DELAWARE	0.68%	0.73%	0.65%	0.71%
Maryland	1.22	1.30	1.30	1.26
New Jersey	2.38	2.33	2.47	2.62
New York	2.07	2.22	2.38	2.80
Pennsylvania	1.40	1.37	1.41	1.53
U. S. average	1.15	1.16	1.21	1.23

Source: Advisory Commission on Intergovernmental Relations, Significant Features of Fiscal Federalism, Volume I, January 1990.

Pages II-6 and II-7 of this section describe in further detail the real property taxes imposed by the various levels of government within Delaware.

TAX COMPARISONS BY INCOME LEVEL :

Family Tax Burdens

In February 1991, the Delaware Development Office compared estimates of 1991 state and local family tax burdens in Wilmington, Dover, and Seaford, Delaware, to the burdens in several other large cities in our region. This study assumed a hypothetical family of four which owned a home, had two income earners, and included both earned and unearned income.

Total Family Tax Burden by Income Level

	$25,000	$50,000	$75,000	$100,000
Seaford, DELAWARE	$ 964	$ 2,567	$ 4,425	$ 6,281
Dover, DELAWARE	913	2,494	4,326	6,159
Wilmington, DELAWARE	1,493	3,465	5,666	7,871
Washington, DC	2,023	4,271	6,867	9,478
Chicago, Illinois	2,688	4,660	6,498	8,403
Baltimore, Maryland	2,850	5,289	7,772	10,305
Boston, Massachusetts	1,456	3,264	5,269	7,301
Trenton, New Jersey	2,685	4,515	6,475	8,538
New York, New York	1,945	5,244	8,659	11,687
Cleveland, Ohio	2,377	4,656	7,028	9,723
Philadelphia, Pennsylvania	3,589	6,237	8,796	11,402

Total state and local tax burdens in Delaware are relatively light at low incomes and average at the $50,000 and $100,000 income levels. At all income levels, Delaware's property taxes are relatively low, and State income taxes are relatively high. The State does not have a sales tax.

Details of Family Tax Burden for a $50,000 Income Family*

	Individual Income		General Sales		Residential	Total Tax
	State	Local	State	Local	Property**	Burden
Seaford, DE	$1,804	$ 0	$ 0	$ 0	$ 763	$2,567
Dover, DE	1,810	0	0	0	684	2,494
Wilmington, DE	1,741	576	0	0	1,148	3,465
Washington, DC	0	2,657	0	567	1,047	4,271
Chicago, Illinois	1,233	0	718	256	2,453	4,660
Baltimore, MD	1,698	849	476	0	2,266	5,289
Boston, MA	2,442	0	342	0	480	3,264
Trenton, NJ	1,050	0	557	0	2,908	4,515
New York, NY	2,316	1,148	518	554	708	5,244
Cleveland, Ohio	1,397	922	513	205	1,619	4,656
Philadelphia, PA	1,050	2,346	461	0	2,380	6,237

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* Similar detail for other income levels is available from the Delaware Development Office.

** Assumes property value of $90,000.

SECTION III
FINANCING

The Delaware Development Office, through its financing subsidiaries The Delaware Economic Development Authority and the Delaware Development Corporation, offers comprehensive assistance in loan "packaging" by utilizing existing State and federal programs. The Authority is skilled in generating financing options for the State's business community in conjunction with private financial institutions. By customizing a loan package for your firm, our professional staff is able to match development needs with available financial resources.

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INDUSTRIAL REVENUE BOND FINANCING :

The Delaware Economic Development Authority provides statewide financial assistance to new or expanding business through the issuance of Industrial Revenue Bonds (IRB's). IRB's are purchased by investors at low interest rates since interest from the bonds is exempt from federal income taxes and state income taxes for Delaware residents. The business person benefits by obtaining long-term financing at interest rates below the prime rate. IRB's can be especially cost-effective for projects involving over $250,000 in fixed assets.

Delaware enjoys a competitive advantage over most states by virtue of the comparatively large amount of IRB dollars per resident that can be issued. The maximum for IRB's issued annually in Delaware is $150 million. Projects are approved on their own merits and are funded on a first-come basis under the State's allocation.

Application

To initiate financing through an IRB, the applicant details its business history and proposed project in an application to The Delaware Economic Development Authority. Bond proceeds can be for the acquisition of land, buildings and equipment, except that 501(c)(3) organizations may use bond proceeds for working capital purposes.

Projects eligible for financing with industrial revenue bonds include the following major categories:

1. Manufacturing - Projects involved in manufacturing. A manufacturing project can include office and warehouse space as long as it is a related part of the overall manufacturing facility.

2. Agricultural - Projects involved in the acquisition of land and equipment to be used for farming purposes by an individual who has not at any time had any direct or indirect ownership interest in substantial farmland.

4. 501(c)(3) Organizations - Projects involved in supporting the exempt activities of 501(c)(3) organizations.

INDUSTRIAL REVENUE BOND FINANCING (continued) :

Industrial development revenue bond financing is limited to a maximum of $10 million for each manufacturing project within a single political jurisdiction. However, the total amount of tax-exempt financing that may be outstanding at any one time with respect to a 501(c)(3) organization (other than a hospital) is $150,000,000.

Review and Approval by Council on Development Finance

The Authority's staff reviews applications for their financial feasibility and impact on Delaware's economy. In a public hearing, the Council on Development Finance determines whether the applicant's proposal is authorized for issuance of IRB's.

IRB Placement

After approval by the Council, the applicant is responsible for locating a buyer for the bonds. The tax-exempt nature of the bonds makes them an attractive investment for a variety of institutions. While the Authority's staff can provide assistance, it must be stressed that the applicant has the responsibility to locate prospective investors so that the final closing and funding of the IRB can occur.

For further information concerning bond financing, please contact:

The Delaware Economic Development Authority
99 Kings Highway
P. O. Box 1401
Dover, Delaware 19903
Phone: (302) 739-4271

PROMPT BOND FINANCING :

Obtaining Industrial Revenue Bond financing through The Delaware Economic Development Authority is not a complicated process and can require as little as five weeks from the date of first contact to final approval. The following time schedule is illustrative of the financing process:

0 Weeks to 2 Weeks

1. Pick up application
2. Assistance with application
3. Submission of application

2 Weeks - 5 Weeks

1. Staff review and analysis
2. Publication of notice of meeting two weeks in advance

5th Week

1. Public meeting held by Council on Development Finance
2. Application reviewed
3. Decision made

5th Week - Till Closing

1. Preparation of bond documentation
2. Bond loan closing
3. Placement of bonds

THE LAND ACQUISITION FUND :

The purpose of this program is to assist Delaware businesses expand their operation by providing financing for the acquisition of land. Financing can also be provided for land improvements.

The program does require a $200,000 capital investment by the borrower's businesses. The maximum loan amount under the program is $250,000. The maximum term is twenty years. In most cases the interest rate for monies loaned through The Land Acquisition Program is 80% of the prime lending rate.

For further information concerning The Land Acquisition Loan Program, please contact:

Delaware Development Office
99 Kings Highway
P. O. Box 1401
Dover, Delaware 19903
(302) 739-4271

THE SMALL BUSINESS REVOLVING LOAN AND CREDIT ENHANCEMENT FUND:

The purpose of this program is to assist Delaware small businesses with 100 or fewer employees to finance projects when 100% financing cannot be obtained through a bank. Financing can be provided for fixed assets as well as working capital.

The program does require 75% bank financing. The remaining 25% is financed through the program up to a maximum of $100,000. In most cases the interest rate for monies loaned through the Delaware Small Business Revolving Loan and Credit Enhancement Fund is 80% of the prime lending interest rate.

For further information concerning the Delaware Small Business Revolving Loan and Credit Enhancement Fund, please contact:

Delaware Development Office
99 Kings Highway
P. O. Box 1401
Dover, Delaware 19903
(302) 739-4271

SMALL BUSINESS ADMINISTRATION ASSISTANCE:

The Delaware Development Office also assists small businesses in seeking loans guaranteed by the U. S. Small Business Administration (SBA) under its 7(a) business loan program. The SBA generally guarantees 90% of the loan from a local financial institution with a maximum guarantee of $750,000. Guaranteed loans are utilized by firms with loan needs that exceed the usual banking criteria.

Financing can be obtained for both working capital and fixed assets. The SBA may require one-third equity when evaluating loan applications from new companies. Equity requirements for ongoing businesses vary. Financial institutions tend to restrict the financing to projects exceeding $50,000, and the interest rate and term is negotiated between the borrower and the lender within limits prescribed by the SBA.

SBA also operates several other special programs. Builders operating under contract may apply for the SBA's guaranty program for lines of credit and Surety Bond Guarantees. Companies with highly seasonal sales may obtain seasonal lines of credit. The SBA also offers Pollution Control financing and loans for support of export trade.

Inquiries concerning SBA's business loan programs may be made through the Delaware Development Office or directly to the SBA at:

Small Business Administration
1 Rodney Square, Suite 412
920 King Street
Wilmington, Delaware 19801
Phone: (302) 573-6295

DELAWARE TECHNICAL INNOVATION PROGRAM (DTIP):

The purpose of this program is to encourage Delaware businesses to participate in the federal Small Business Innovation Research (SBIR) grant program. The SBIR program requires that 1.25% of all federal research dollars be made available to small businesses.

Under the SBIR program, during Phase I, small businesses must submit detailed research and development proposals to participating federal agencies. The federal agencies evaluate the submissions to determine technical merit and feasibility of the idea. Phase I awardees are granted up to $50,000 by the federal government. A Phase I awardee, located in Delaware or relocating to Delaware, is eligible for a DTIP grant, which can match the federal Phase I award, as long as the company has submitted a proposal to the federal agency in order to qualify for a Phase II (i.e., pursue the development of Phase I) award and can demonstrate that the research to be conducted will benefit the Delaware economy. The DTIP grant can be used to expand on the results of, and further pursue, the development of the company's Phase I proposal.

For further information concerning the DTIP/SBIR program, please contact:

Delaware Development Office
99 Kings Highway
P. O. Box 1401
Dover, Delaware 19903
Phone: (302) 739-4271

PREFERRED EXPORT REVOLVING LINE OF CREDIT (PERLOC):

In order to assist Delaware small business exporters, the Delaware Development Office, Meridian Bank and Delaware Trust in conjunction with the Small Business Administration, have entered into a cooperative small business exporting loan program. Proceeds from a loan may be used to finance labor and materials needed for manufacturing or purchasing goods or services for export: professional expert marketing advice or services, foreign business travel or participation in trade shows.

Loans under the program can range from $25,000 to $1,000,000. The Small Business Administration guarantees up to 75% of the total loan amount.

For further information on the PERLOC export loan program, please contact:

Delaware Development Office
Carvel State Office Building
820 French Street
Wilmington, Delaware 19801
(302) 577-3156

DELAWARE DEVELOPMENT CORPORATION LOANS :

The State of Delaware, through the Delaware Development Corporation, became the second state to obtain certification under the U. S. Small Business Administration's Section 504 loan program. This program offers long-term, fixed asset financing at fixed rates to the growing small firm. In addition to land, building, and equipment, many of the costs associated with construction (interim financing costs, architectural drawings, etc.) that are usually "out-of-pocket" expenses may be included in the 504 loan package.

To be eligible, a small business must be a "for-profit enterprise" with a net worth of less than $6 million and average net profits of less than $2 million for the past two years. In addition, the project must create one new job for approximately every $40,000 in total project cost. The SBA will allow some latitude in the employment requirement.

The 504 program can provide long-term financing for projects totalling $200,000 to $1,500,000 for the acquisition of land and buildings; the construction, expansion or renovation of facilities, including leasehold improvements; and the purchase of machinery and equipment. Funds are not available for working capital, inventory, debt consolidation, or debt repayments. The applicant must be the user of the facilities.

A 504 fixed asset financing involves a mixture of funding from the small business, a private sector lender (bank, savings and loan, insurance company), and the Delaware Development Corporation. A typical project would involve 50% funding from the private lender, 40% from the Delaware Development Corporation up to a maximum of $750,000, and 10% from the small business. For a start-up small business, the business may need to contribute 20% to 25% in equity to the project.

The small business loan is actually funded by the Delaware Development Corporation issuing a debenture (a bond secured by the project's real estate). While the interest rate and term for the private sector portion of the loan are negotiated, the interest rate for the debenture portion is fixed at the market rate at time of sale, and the term may be either 10 or 20 years, depending on the economic life of the assets being financed. If the project involves construction, interim financing will be arranged and the debenture issued after a Certificate of Occupancy has been obtained.

For further information concerning Section 504 loans, please contact:

Delaware Development Corporation
99 Kings Highway
P. O. Box 1401
Dover, Delaware 19903
Phone: (302) 739-4271

MAJOR FINANCING PROGRAMS SUMMARIZED

PROGRAM	IRB Industrial Revenue Bonds	Land Acquisition Fund	The Small Business Revolving Loan and Credit Enhancement Fund
PARTICIPATING INSTITUTIONS	Delaware Development Office	Delaware Development Office and local financial institutions	Delaware Development Office and local financial institutions
ELIGIBLE APPLICANTS	a) Manufacturing concerns b) First-time farmers c) 501(c)(3) organizations	Healthy, small to medium size businesses	Small business with 100 or less employees
SUGGESTED RANGE	$250,000 to $10,000,000	Maximum of $250,000	Up to $100,000
APPROVED USE OF FUNDS	1. To Finance Fixed Assets: a) Land/bldg. acquisitions b) Building construction and renovation c) Machinery and equipment 2. 501(c)(3) Organizations may finance fixed assets and use bond proceeds for working capital	To finance the purchase of land, and/or land improvements	To finance working capital and fixed assets
INTEREST RATES	Market rates	80% of prime	"Blended rate" is equal to below conventional bank financing rates
TERMS OF FINANCING	Up to 30 years allowed. Usual terms: 15-20 years on real estate, 5-10 years on equipment	Up to 20 years	Bank terms negotiated: 1-5 years for the Delaware Development Office portion
FORM OF FINANCING	State or local authority issues tax-exempt revenue bonds	Local institutions finance building and equipment. The Delaware Development Office finances the purchase of the land	Normally 75% bank funds, 25% direct loan through the Delaware Development Office

MAJOR FINANCING PROGRAMS SUMMARIZED (CONTINUED)

PROGRAM	SBA 504 U.S. Small Business Administration Section 504 Debentures	SBA 7A U.S. Small Business Administration Guaranteed Loans	DTIP Delaware Technical Innovation Program	PERLOC Preferred Export Revolving Line of Credit
PARTICIPATING INSTITUTIONS	Delaware Development Office, U.S. Small Business Administration, and Local Financial Institution	Local financial institution with U.S. Small Business Administration	Delaware Development Office	Delaware Development Office, U.S. Small Business Administration, Meridian Bank and Delaware Trust
ELIGIBLE APPLICANTS	Healthy small businesses with: profits less than $2,000,000, and net worth less than $6,000,000	Maximum business size varies with different industries	Any applicant located in Delaware or relocating to Delaware, who has been granted a Phase I SBIR award and has submitted a Phase II SBIR application	Maximum business size varies with different industries
SUGGESTED RANGE	$200,000 to $1,500,000	$50,000 to $750,000	Up to $50,000	$25,000 to $1,000,000
APPROVED USE OF FUNDS	To Finance Fixed Assets: a) Land/building acquisitions b) Building construction and renovation c) Machinery and equipment	a. Working capital b. Land and building c. Machinery and equipment		To finance working capital: a. Labor and materials needed for exporting b. Expert marketing advise and service c. Foreign business travel d. Trade shows
INTEREST RATES	"Blended rate" is equal to below conventional bank financing rates	Negotiated with Bank	Grant	Negotiated with bank
TERMS OF FINANCING	Bank terms negotiated; 10 or 20 years for Delaware Development Office portion	Negotiated with Bank	Grant	Negotiated with bank
FORM OF FINANCING	Normally 50% bank funds, 40% SBA-guaranteed bonds provided by Delaware Development Corporation, 10% equity	SBA guarantees up to 90% of bank loan	Grant which bridges Phase I of Phase II of SBIR program	SBA guarantees up to 75% of export bank loan

LOCAL GOVERNMENTS COMPLEMENT THE FINANCING EFFORTS OF THE DELAWARE DEVELOPMENT OFFICE :

City of Wilmington

Projects located within the city limits of Wilmington may also apply for financing through the Wilmington Economic Development Corporation (WEDCO). Financing programs offered include SBA Section 504 Loans, Revolving Loan Funds, and other special purpose financing. Further information may be obtained by contacting:

Wilmington Economic Development Corporation (WEDCO)
605 A Market Street Mall
Wilmington, Delaware 19801
Phone: (302) 571-9088

New Castle County

The New Castle County Economic Development Corporation (NCCEDCO) operates two financing programs for projects within the County. Commercial, Industrial and Agricultural revenue bonds and the SBA Section 504 loan programs are administered by NCCEDCO. For more details, please contact:

New Castle County Economic Development Corporation (NCCEDCO)
First Federal Plaza, Suite 536
Wilmington, Delaware 19801
Phone: (302) 656-5050

Sussex County

Sussex County operates an Industrial Revenue Bond program with a cap of 15 million dollars each year for industrial projects in the County. Project review requires a letter of commitment for placement of the bond before a project recommendation is made by the Industrial Revenue Bond Review Committee to Sussex County Council (political jurisdiction). The Industrial Revenue Bond process may require as little as five weeks from inception to bond closing.

The Small Business Development Center is in-part funded by the County to assist new and existing businesses with management assistance. Additional information may be obtained by contacting:

Sussex County Department of Economic Development
P. O. Box 589
11 South Race Street
Georgetown, Delaware 19947
302/855-7770
FAX: 302/855-7749

BANK ASSETS OF $72 BILLION IN 1990 :

There are currently more than 56 financial institutions in Delaware offering a wide range of financial services to commercial and residential customers. The following table lists the major banks, their number of branches, and their total assets:

	Number of Locations	Total Assets (000's)
Commercial Banks:		
Chase Manhattan Bank (USA)	1	$10,219,510
American Express Centurion Bank	1	9,006,338
Greenwood Trust Company	1	5,970,415
Morgan Bank (Delaware)	1	5,179,866
The Bank of New York (Delaware)	1	4,544,151
Wilmington Trust Company	68	3,729,728
Bankers Trust (Delaware)	1	3,144,119
Citibank (Delaware)	1	2,183,914
Bank of Delaware	47	2,175,054
Chemical Bank Delaware	1	1,699,294
First USA Bank	1	1,564,293
Delaware Trust Company	36	1,401,132
Manufacturers Hanover Bank (Delaware)	1	1,347,696
Nationsbank	1	553,183
Sussex Trust Company	22	412,217
Primerica Bank	1	379,333
NBD Delaware Bank	1	308,083
MBNA (Dover) Bank	1	257,358
Boatmens Bank of Delaware	1	243,526
Baltimore Trust Company	6	204,925
Fidelity Bank Delaware	1	141,843
Sovran Bank/Delaware	1	135,028
United Missouri Bank, U.S.A.	1	127,107
Texas Commerce Bank	1	55,664
Manufacturers Bank-Wilmington	1	50,169
Peoples Bank of Harrington	1	43,030
First State Bank	1	32,343
The Felton Bank	1	24,248
Discover Card Bank of New Castle	1	21,112
Clayton Bank and Trust Company	1	20,872
County Bank	1	10,055
Primerica Bank USA	1	5,458
First Pennsylvania Bank (Delaware)	1	5,398

BANK ASSETS OF $72 BILLION IN 1990 (continued) :

	Number of Locations	Total Assets (000's)
National Banks:		
FCC National Bank	1	$4,015,142
MBNA America Bank, N.A.	1	3,321,733
Mellon Bank (Delaware), N.A.	31	1,277,840
Colonial National Bank (USA)	3	1,229,552
Corestates Bank of Delaware, N.A.	1	1,085,632
PNC National Bank	1	721,930
Barclays Bank of Delaware, N.A.	1	672,688
First Omni Bank, N.A.	1	613,999
JC Penney National Bank	2	573,243
Beneficial National Bank	8	265,777
First Atlantic Bank, N.A.	1	150,676
Equibank (Delaware), N.A.	1	89,103
The First National Bank of Wyoming	2	73,741
Delaware National Bank	6	71,425
Midlantic National Bank/Delaware	1	16,516
Federal Savings Banks:		
Wilmington Savings Fund Society, FSB	23	$1,608,139
First Federal Savings Bank (of Delaware)	7	365,022
Delaware Savings Bank, FSB	3	66,820
White Eagle Federal Savings Bank	8	36,150
Mutual Savings Banks:		
Artisans' Savings Bank	6	$ 284,040
Non-Deposit Trust Companies:		
American Guaranty & Trust Company	1	$ 194,220
Delaware Charter Guaranty & Trust Co.	1	15,036
Limited Purpose Trust Company:		
Shearson Lehman Hutton Trust Co.	1	931

Source: Office of the State Bank Commissioner, State of Delaware, September 30, 1990.

EXPANDING FINANCIAL RESOURCES :

New Financial Institutions

Since the passage of the Financial Center Development Act in 1981, several financial institutions have established subsidiaries in Delaware. These companies have chosen Delaware because of the State's favorable business climate, including the absence of usury ceilings and lowered tax rates on bank income. The financial institutions which have applied for, or have been granted, charters since the passage of the Act include:

Delaware Subsidiary	Parent Company
The Bank of New York (Delaware)	The Bank of New York, Inc.
Bankers Trust (Delaware)	Bankers Trust New York Corp.
Barclays Bank of Delaware, N.A.	Barclays American Corp.
Chase Manhattan Bank (USA)	Chase Manhattan Corporation
Chemical Bank Delaware	Chemical New York Corp.
Citibank (Delaware)	Citicorp
CoreStates Bank of Delaware, N.A.	CoreStates Financial Corp.
Equibank (Delaware), N.A.	Equimark Corporation
MBNA (Dover) Bank	MNC Financial Corp.
First Atlanta Bank, N.A.	First Atlanta Corporation
First Omni Bank, N.A.	First Maryland Bancorp
Manufacturers Hanover Bank (Delaware)	Manufacturers Hanover Corp.
MBNA America Bank, N.A.	MNC Financial Corp.
Midlantic National Bank/Delaware	Midlantic Corporation
Morgan Bank (Delaware)	J.P. Morgan & Company, Inc.
NBD Delaware Bank	NBD Bancorp, Inc.
PNC National Bank	PNC Financial Corporation
Sovran Bank/Delaware	Avantor Financial Corp.

EXPANDING FINANCIAL RESOURCES (continued) :

The Consumer Credit Bank Act was enacted in 1983 creating a favorable environment for the growth of banks owned by out-of-state holding companies. The primary business operation of these banks is extending consumer credit. With the increased banking operations in Delaware, a positive economic climate has spurred the growth of "non-bank" banks. These financial institutions are unique in that they offer restricted services - either consumer specific or commercial in nature. Consumer credit banks and "non-bank" banks which have recently applied for or been granted charters include:

Consumer Credit Bank Act Banks

Delaware Subsidiary	Parent Company
Boatmen's Bank of Delaware	Boatmen's Bancshares, Inc.
Fidelity Bank Delaware	Fidelcor, Inc.
First Pennsylvania Bank (Delaware)	CoreStates Financial Corp.
Manufacturers Bank-Wilmington	Manufacturers National Corporation
Nationsbank	NCNB Corporation
Texas Commerce Banks	Texas Commerce Bancshares
United Missouri Bank, U.S.A.	United Missouri Bancshares, Inc.

Limited Purpose Trust Companies

Delaware Subsidiary	Parent Company
Shearson Lehman Hutton Trust Company	The Boston Company, Inc.

Limited Purpose Banks

Delaware Subsidiary	Parent Company
American Express Centurion Bank	American Express Company
Associates National Bank (Delaware)*	Associates Corp. of North America
Colonial National Bank, USA	Advanta Corporation
Discover Card Bank of New Castle	Sears Consumer Financial Corp.
FCC National Bank	First Chicago Corporation
First USA Bank	First USA Holdings, Inc.
Greenwood Trust Company	Sears Consumer Financial Corp.
JC Penney National Bank	JC Penney Company, Inc.
Lomas Bank Delaware*	First USA Holdings, Inc.
Primerica Bank	Commercial Credit Company
Primerica Bank USA	Commercial Credit Company

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*Pending Applications.

EXPANDING FINANCIAL RESOURCES (continued) :

Recent Interstates Acquisitions

Delaware Subsidiary	Parent Company
Baltimore Trust Company	Mercantile Bankshares Corporation
Bank of Delaware	PNC Financial Corporation
Clayton Bank and Trust Company	PNC Financial Corporation
Delaware Trust Company	Meridian Bancorp, Inc.

De Novo Banks

Institution	Parent Company
County Bank	
Delaware Trust Capital Management, Inc.	Meridian Bancorp, Inc.
Diamond State Bank, N.A.*	
First State Bank	

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*Pending Applications.

Source: Office of the State Bank Commissioner, State of Delaware, September 30, 1990.

Commercial Finance Companies

The State has many commercial finance companies which make inventory, mortgage, accounts receivable and equipment loans.

Insurance Companies

Many insurance companies are active in commercial, term, and mortgage lending in Delaware. Loan programs available include real estate mortgage loans and sale and leaseback financing.

Cash Management

Regional banks presently offer an overnight cash management service to business customers. These banks electronically transfer funds from a firm's accounts at the end of each working day, invest those funds to earn the highest interest, and return the balance plus the interest to the firm's account by the start of the next working day.

SECTION IV
LABOR

Delaware's workers are very productive and highly educated. Salaries are competitive and union membership is lower than the average state. Rapidly growing employment sectors in the Delaware economy include Trade, Finance and Services.

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High Productivity Per Wage Dollar	IV-13
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Shorter Duration of Unemployment Claims	IV-15

DELAWARE DEVELOPMENT OFFICE PROVIDES RECRUITMENT ASSISTANCE:

In support of new and expanding businesses, the Delaware Development Office brokers services to assist employers in locating a qualified work force.

Given the staffing needs and minimum skill requirements that a business determines as necessary for employment, the Delaware Development Office will coordinate recruitment activities with the professional staff of the Department of Labor, Employment and Training Division. Although many of the services are actually performed by the Department of Labor staff, the Delaware Development Office oversees the particular employer project and the employer maintains total control of the hiring decision. Recruitment services available through the Delaware Development Office can:

- Assess the labor market for available applicants
- Counsel in locally effective advertising methods
- Provide listings of private sector employment agencies
- Review job applicants and hiring procedures
- Supply screening and referral services
- Provide applicant testing
- Provide task analysis of specific jobs
- Assist in meeting Affirmative Action goals

Additionally, the Office can provide contacts or information on issues which impact employment, including:

- Child care
- Transportation
- Local school districts
- Postsecondary education
- Unionization
- Wages
- Demographics
- Social agencies
- Labor laws

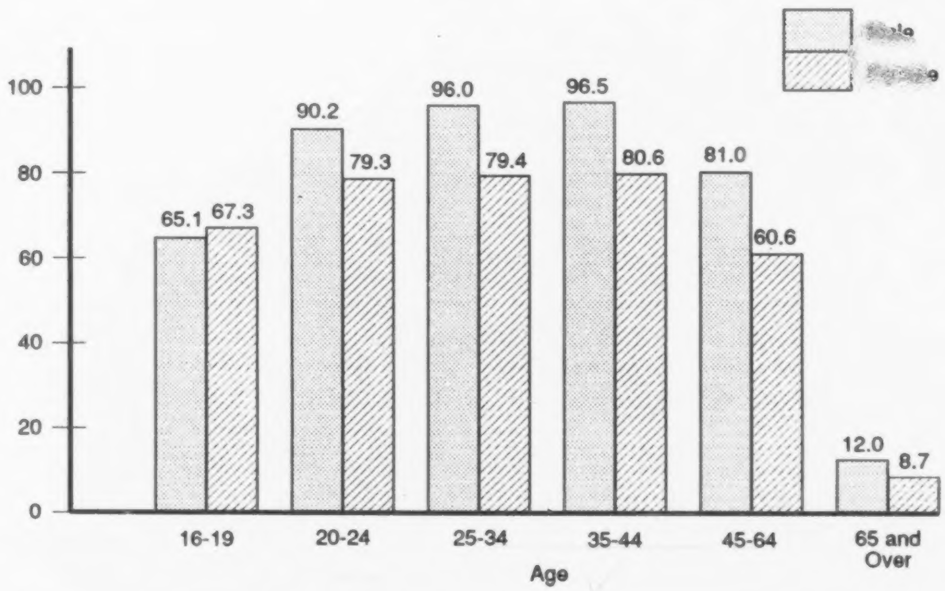
LARGE AND GROWING SUPPLY OF LABOR :

Delaware has a large and growing labor force numbering 362,000 in 1990. Since 1982, the State's labor force has grown 21.9% compared to 13.2% for the nation.

Delawareans' eagerness to work is reflected in the State's labor force participation rates which exceed the national levels. In 1989, 71.1% of the Delaware population aged 16 and over were labor force participants compared to 66.5% nationally. Within this age group, Delaware females participated at a 63.9% rate compared to 57.4% nationally while the Delaware male participation rate was 79.4% compared to 76.4% nationally.

In addition to relatively high labor force participation rates, Delaware's population aged 20 and over is expected to increase by approximately 5.5% over 1990 levels by the year 1995, thus assuring a growing supply of labor to Delaware businesses.

Percent of Total Age Group in the Labor Force
1991
(Percent)



Source: Delaware Department of Labor, 3/91

EXPANDED LABOR MARKET AREA :

Because Delaware is small, it easily attracts workers from its neighboring states. More than 23,000 people commute to jobs in Delaware from points outside the State.

Although Delaware's resident work force numbers only 362,000 people, the tables below illustrates the potential work force available in the State's four primary labor market areas.

Potential Labor Supply
1989

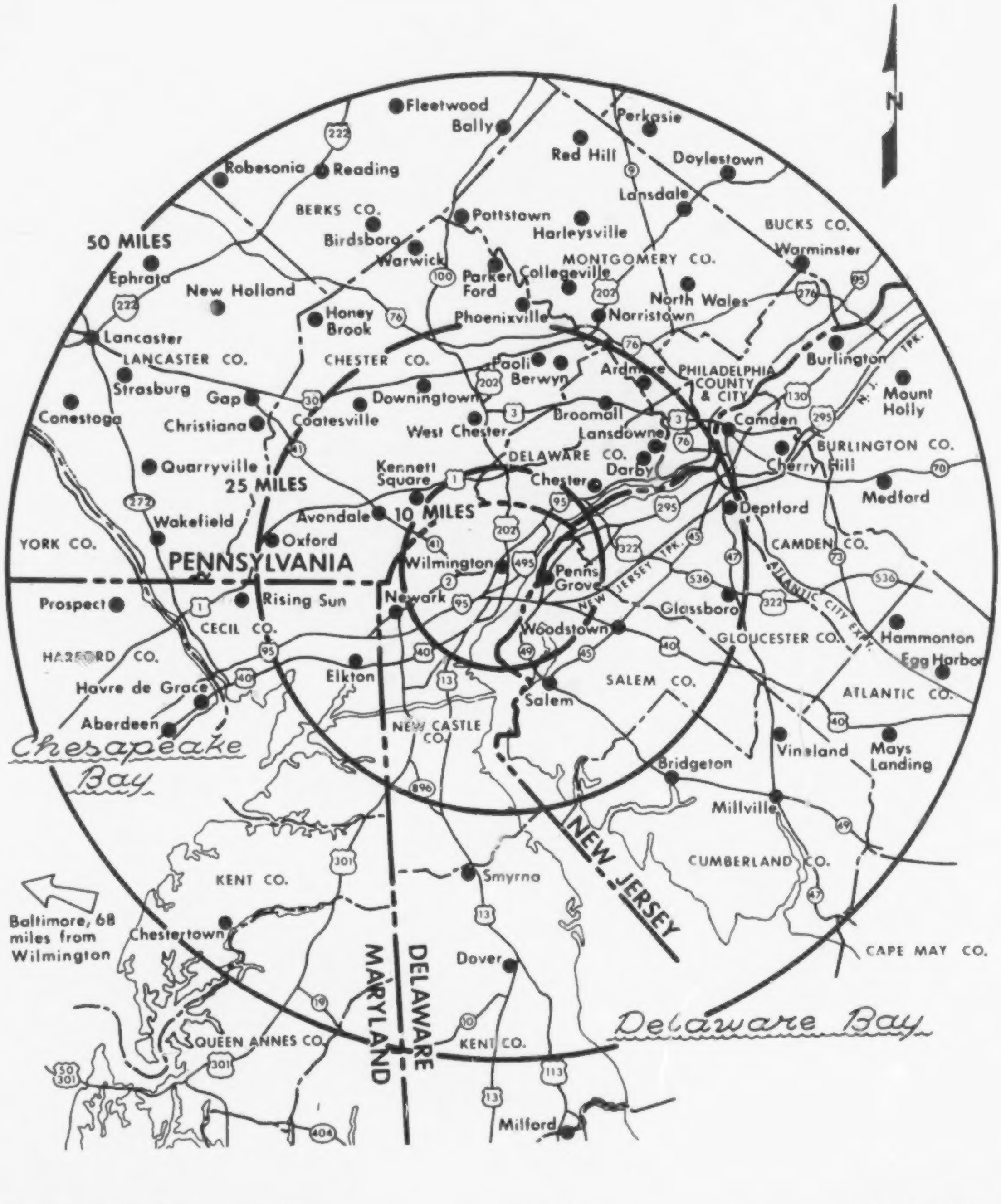
Radius	Wilmington	Newark	Dover	Georgetown
10 Miles	280,000	187,532	51,806	21,667
25 Miles	1,439,529	652,979	103,245	122,461
50 Miles	4,291,436	3,998,874	847,024	299,133

Projected
Potential Labor Supply
1992

Radius	Wilmington	Newark	Dover	Georgetown
10 Miles	284,031	198,466	54,098	22,184
25 Miles	1,448,289	672,258	108,170	125,321
50 Miles	4,343,974	4,018,452	881,582	309,077

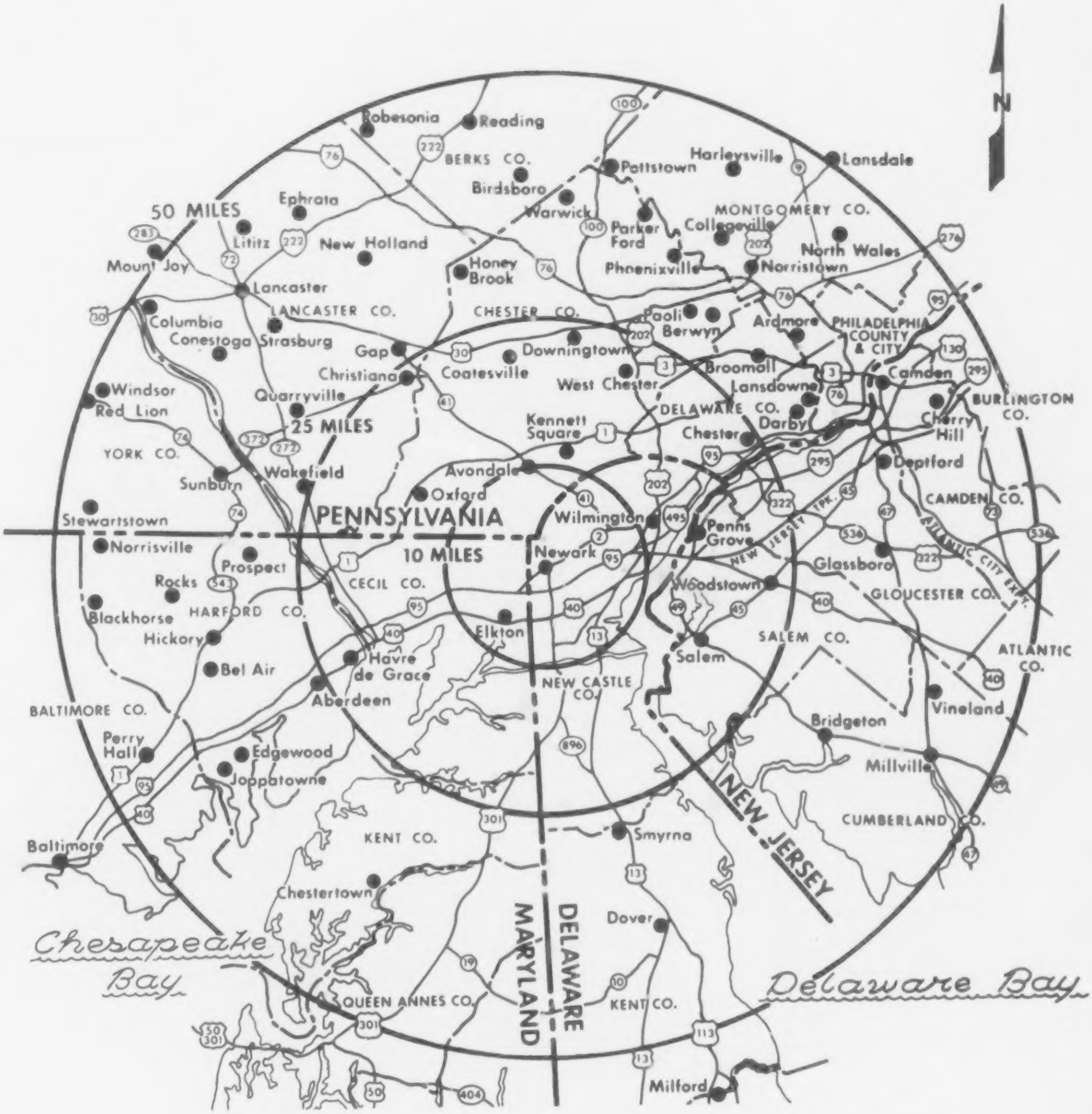
DELAWARE LABOR MARKET AREAS

WILMINGTON



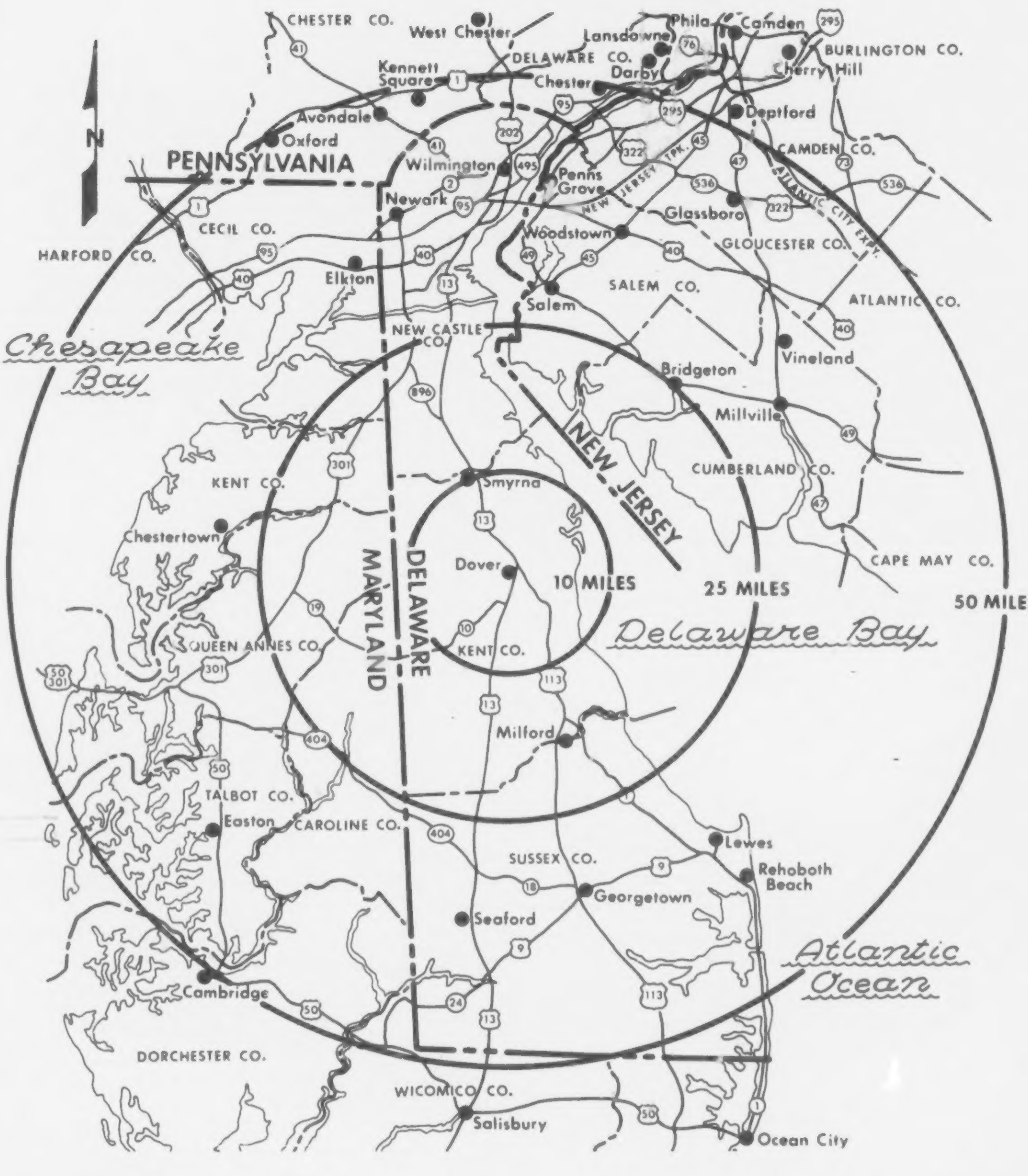
DELAWARE LABOR MARKET AREAS

NEWARK

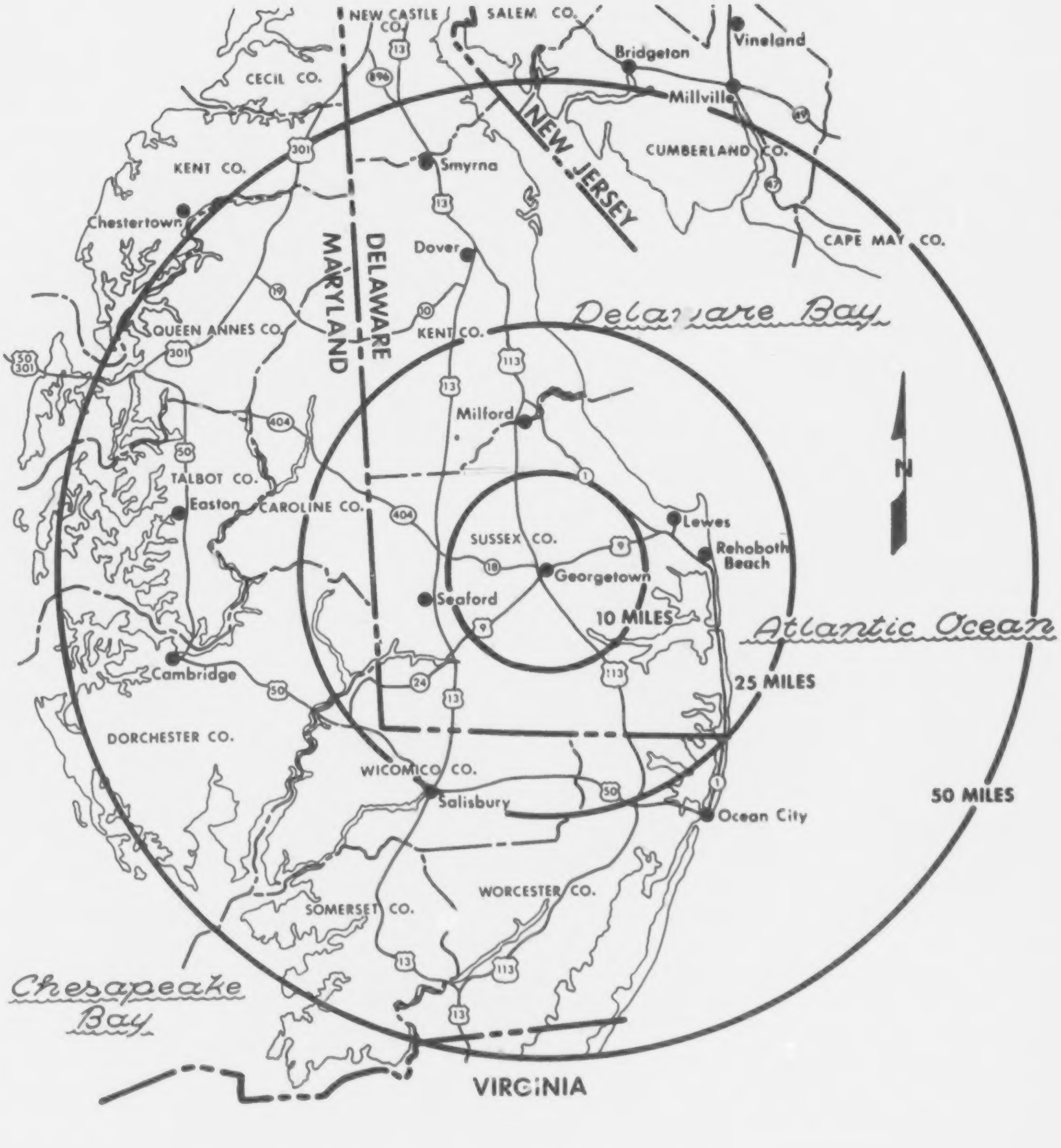


DELAWARE LABOR MARKET AREAS

DOVER



DELAWARE LABOR MARKET AREAS
GEORGETOWN



MANUFACTURING SECTOR A MAJOR EMPLOYER :

Delaware's employment is heavily concentrated in manufacturing compared to the U. S. and regional averages. In 1990, manufacturing generated 21% of Delaware's jobs compared with an average of 17% nationally. However, 46% of these manufacturing jobs were in chemical companies compared with 6% nationally. Nearly half of these "chemical manufacturing" jobs in Delaware were in home office and research operations. This unusual distribution helps explain the relatively "high wages of the manufacturing workers" throughout the State.

Delaware's two largest employment sectors, Services and Trade, represent a smaller percentage of employment than the national average for these sectors. Other sectors employing a larger percentage of total workers than the national average are Finance and Construction.

Delaware's Employment Compared With the Nation

	Delaware Employment (000's)		1990 Percent of Total	
	1990	1980	DE	U. S.
Total Nonagricultural	346.4	259.2	100.0	100.0
Manufacturing	71.7	70.9	20.7	17.4
Durable Goods	17.7	19.7	5.1	10.1
Primary and Fabricated Metals	3.3	4.1	1.0	2.0
Machinery and Transportation Equipment	8.5	10.9	2.5	5.2
Other Durables Goods	5.9	4.7	1.6	2.9
Nondurable Goods	54.0	51.2	15.6	7.3
Food	9.1	8.5	2.6	1.5
Textile, Apparel and Leather	1.6	2.3	0.5	1.8
Paper and Printing	5.1	4.9	1.5	2.1
Chemicals	34.2	31.9	9.9	1.0
Petroleum, Rubber and Plastics	4.0	3.6	1.3	0.9
Nonmanufacturing	274.7	188.3	79.3	82.6
Construction	20.2	14.7	5.8	4.7
Transportation and Public Utilities	15.3	12.1	4.4	5.3
Trade	75.9	56.0	21.9	23.8
Finance	31.7	12.3	9.2	6.3
Services	84.7	48.0	24.5	25.8
Government	46.9	45.2	13.5	16.7
Federal	6.1	5.7	1.8	2.8
State and Local	40.8	39.5	11.8	13.9

Source: Delaware Department of Labor, Current Employment Statistics Program, February, 1991.

MANUFACTURING EARNINGS COMPARED TO OTHER STATES :

Although the State's manufacturing wages appear relatively high, the proportion of those workers who are employed in home office and research center chemical employment is significantly larger than the average state (See page IV-9).

In addition, Delaware's labor force is very well-educated, with unusually low rates of illiteracy. Further, 67.8% of its population has completed high school compared to 66.3% for the nation.

Average Hourly Earnings of Production Workers in Manufacturing

	1990	1989	1988	1987	1985
DELAWARE	$12.40	$12.36	$11.49	$10.67	$9.86
Maryland	11.57	11.19	10.71	10.11	9.73
New Jersey	11.76	11.17	10.86	10.40	9.86
New York	11.19	10.67	10.43	10.09	9.67
Pennsylvania	11.04	10.66	10.33	9.98	9.57
U. S. average	10.84	10.49	10.18	9.91	9.54

Source: U. S. Department of Labor, Bureau of Labor Statistics, February, 1991.

BUYING POWER OF STATE'S SALARIES EXCEEDS NATIONAL AVERAGE :

In January 1991, the Runzheimer Company prepared a cost-of-living comparison for two cities in Delaware, several other cities in nearby states, and the "Standard City" across the U.S. Runzheimer then calculated the salary adjustment that would be necessary to enable the families living in these different areas to purchase comparable lifestyles. For example, the following table indicates that in order to compensate for differences in the cost-of-living at the $30,000 average lifestyle, an employee would have to be given an annual salary of $39,401 if he chooses to locate in New York and could be paid $28,032 if he worked in Dover, Delaware.

Buying Power Differentials

	Family Income $30,000
Dover, DELAWARE	$ -1,968
Wilmington, DELAWARE	- 451
Washington, DC	+3,484
Chicago, Illinois	+3,599
Baltimore, Maryland	+2,158
Boston, Massachusetts	+7,991
Trenton, New Jersey	+3,905
New York, New York	+9,401
Philadelphia, PA	+3,622
Standard City, USA	0

Source: Runzheimer and Company, Inc., Rochester, Wisconsin, January 1991.

SOUTHERN DELAWARE'S WAGES ARE LOWER :

Businesses in southern Delaware have lower labor costs. The following comparison of wage rates in the three counties shows that most occupations in southern Delaware are paid at a lower starting wage rate than those of New Castle County.

The following table was produced from a 1990 survey of employers in each county.

Average Delaware Starting Wage Rates
Manufacturing Sector, 1990

Occupation	New Castle County	Southern Delaware
Assemblers	$ 8.34	$ 4.70
General Maintenance Workers	10.05	7.76
Maintenance Electrician	12.56	11.84
Maintenance Machinist	12.68	10.89
Maintenance Mechanic	12.12	9.33
Material Handling Laborers	10.36	5.89
Order Filler	9.88	6.50
Receiver	9.87	7.42
Secretary I	8.88	6.21
Semiskilled Worker	9.33	6.90
Shippers	9.77	7.04
Supervisor, Nonworking	15.66	6.20
Truck Driver, Heavy	9.43	6.21
Unskilled Laborers	7.81	5.70
Warehouseman	9.37	6.23

Source: Delaware Development Office, "1990 Wage Survey, Manufacturing Sector," March 1990.

HIGH PRODUCTIVITY PER WAGE DOLLAR :

Delaware workers have consistently been very productive. The total value added by manufacturing in the State in 1987, the most recent year for which data is available, was $3.9 billion, which when divided by production wages equals $5.08 of output for each dollar of wages. This is 9.7% higher than the U. S. average.

Productivity Per Wage Dollar - 1987

DELAWARE	$5.08
Illinois	4.73
Maryland	4.68
Massachusetts	5.09
New Jersey	5.07
New York	5.55
North Carolina	4.56
Ohio	4.10
Pennsylvania	4.19
U. S. average*	4.63

Source: U. S. Department of Commerce, Bureau of the Census, Census of Manufacturing, 1987.

* - Preliminary.

In addition, the value added by each worker has also consistently been above the average for the U. S. and that of Delaware's neighbors. This calculation is the value added by manufacturers divided by the number of production workers.

Value Added Per Worker - 1987

DELAWARE	$117,866
Illinois	103,972
Maryland	100,429
Massachusetts	102,697
New Jersey	107,826
New York	110,650
North Carolina	73,760
Ohio	100,515
Pennsylvania	84,477
U. S. average*	95,155

Source: U. S. Department of Commerce, Bureau of the Census, Census of Manufacturing, 1987.

* - Preliminary.

UNION MEMBERSHIP LOWER THAN AVERAGE :

The proportion of Delaware's private-sector work force which is unionized has continued to decrease, reflecting the national trend. In addition, the State's private-sector unionization rate is considerably lower than national and regional averages.

Union Membership

(Percent of Nonagricultural Private Employment)

	1975	1982
DELAWARE	19.4	14.2
Illinois	35.9	26.9
Maryland	20.9	14.3
Massachusetts	18.8	14.4
New Jersey	25.2	17.5
New York	39.3	31.2
Ohio	34.8	25.3
Pennsylvania	32.3	23.6
Washington, DC	48.8	45.3
United States	26.3	19.0

Source: Industrial Relations Data and Information Services, West Orange, New Jersey 07052, Union Sourcebook; First Edition 1985, reproduced with permission of author.

From 1980 through June 1990, 113 union elections were held throughout the State. Of these elections, 39, or 35% were successful.

Union Elections
1980-1990

Year	Elections	Won	Lost	Success Rate
1980	15	3	12	20%
1981	7	5	2	71%
1982	18	8	10	44%
1983	13	3	10	23%
1984	13	3	10	23%
1985	9	2	7	22%
1986	8	3	5	38%
1987	11	5	6	45%
1988	7	2	5	29%
1989	9	5	4	55%
1990*	3	0	3	0%

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*January through June.

Source: National Labor Relations Board, Washington, DC, Elections for the State of Delaware, published and unpublished data.

SHORTER DURATION OF UNEMPLOYMENT CLAIMS :

On average, during the past 13 years, the duration of unemployment claims in Delaware is approximately one-half week less than the U. S. average and has been, with one exception, significantly lower than the national average since 1982, indicating the State's stable work environment and the desire of work force participants to obtain employment.

Duration of Unemployment Claims

	Delaware (weeks)	United States (weeks)
1980	13.7	14.9
1981	14.2	14.5
1982	14.4	15.9
1983	12.9	17.5
1984	13.3	14.4
1985	11.0	14.2
1986	15.5[1]	14.6
1987	11.1	14.6
1988	12.7	13.9
1989	10.4	13.4
1990	11.7	13.4

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[1] Delaware's increase can be attributed to an atypical changeover shutdown at one of the State's major manufacturing employers.

Sources: Delaware Department of Labor and U. S. Department of Labor, Bureau of Labor Statistics, February, 1991.

SECTION V

EDUCATION / TRAINING

Delaware offers a wide array of education and training institutions. The Development Office utilizes the full range of these institutions to provide employment and training services to assist new and expanding businesses. Local school districts receive a high level of State financial support and superior quality teachers and innovative programs have resulted in high performance by students in national scholastic competitions.

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Quality of Education is Very High	V-4
Vocational Training Geared to Business Needs	V-6
Map of State School Districts and Enrollments	V-7
Post-Secondary Options Abound	V-8
Map of Post-Secondary Education Institutions	V-9
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DELAWARE DEVELOPMENT OFFICE PROVIDES EMPLOYMENT AND TRAINING SERVICES :

Training

When the labor market cannot respond to an employer's needs, or when additional skills are necessary because of a particular business situation, the Delaware Development Office has access to over 60 recognized educational facilities which can provide skill training designed to company specifications. Training contracts may be arranged with Delaware colleges, vocational schools, specialized training centers, and independent agencies that provide business, industrial, and service-related instruction.

Subsidized Training

For new and expanding businesses, subsidized training programs can be arranged. The amount and type of subsidy are determined by the size of the business, its potential impact on Delaware's economy, and the availability of other training resources. The Delaware Development Office makes use of special State funds for training. Programs are developed to meet the stated hiring needs and skill levels of specific businesses. Industry maintains total control of the hiring decision.

General Characteristics of Training

- short-term
- cost-effective
- on-site or classroom
- (primarily) entry-level related; necessary for entry/re-entry into work force
- transferable skills
- job retention/retraining
- (increased) individual productivity
- permits upgrade in salary, position, or related benefits

In addition to classroom and on-site training, the Delaware Development Office can also assist in coordinating on-the-job training (OJT) agreements.

TRAINING COSTS :

Delaware Development Office

The Delaware Development Office can support short-term classroom and on-site training. In cases where the employer provides the work site training, the Delaware Development Office may also assist business in covering the increased expenses directly associated with such training. Costs for training must be specifically identified and essential to the successful implementation of the programs in order for the Delaware Development Office to subsidize them.

Employer

Matching funds equal to the requested contract amount shall be covered by the employer unless otherwise waived by the Director of the Delaware Development Office. This requirement may be waived if the business contributes "in-kind" items or services such as: personnel, facilities, equipment, supplies, stipends, or other items of value to the program in an amount approved by the Director.

How to Utilize Training Funds

A business may apply for funds by submitting a proposal for a program of skills training and education. Once the proposal is received and approved by the Delaware Development Office, training may be designed by the business or in consultation with the Delaware Development Office. The Delaware Development Office will contract with the employer or a training facility to meet program specifications. The business may select the training facility and that facility is only reimbursed by the Delaware Development Office when the business signs off that training requirements have been met.

During the past several years, the Delaware Development Office has assisted a variety of businesses in meeting labor force needs. Employers interested in these services are invited to discuss their effectiveness with peers within the same or similar industries.

QUALITY OF EDUCATION IS VERY HIGH :

The State has made a major financial commitment to education:

- In Fiscal Year 1990, Delaware spent 20.1% more per pupil than the national average. Delaware ranked 9th among all states in the nation for expenditures per pupil.

- The State allocates 44.5% of its budget to education. Public schools receive over 66% of their support from State funds.

- The typical administrator in Delaware public schools is 47.4 years of age with 22.1 years of educational experience.

The pupil/teacher ratio in Delaware schools in 1990 was 16.4, compared with the national average of 17.4. Forty percent of the public school teachers hold advanced degrees.

Student Achievements Are High

- The average achievement level of Delaware students compares favorably with national norms. Average Delaware student performance, as measured by the Basic Battery score on the eighth edition of the Stanford Achievement Test, was above the national norm in all nine grades tested. Assessment results indicate the average Delaware student in grades 1-8 and 11 is also performing above the national norm in reading, mathematics, and language arts. A two-year comparison of test results shows that the achievement of Delaware students has generally improved.

- Delaware's high school seniors ranked third on the Scholastic Aptitude Test among the states in which more than 50% of the students participated. In 1990, the average verbal score for Delaware was 9 points higher than the national average.

- In September 1990, 43 Delawareans were identified as National Merit Scholarship semi-finalists. Delaware scholars earned the nation's second highest set of qualifying scores.

- A statewide competency-based education system has been adopted by the Delaware State Board of Education. This system provides for the educational accountability of Delaware graduates by requiring students to demonstrate minimum competency levels before earning a high school diploma.

Special Programs

- A State-supported Gifted and Talented Program has been introduced in Delaware public schools.

- Basic skills improvement programs concentrating on reading and mathematics have been introduced in many school districts.

- Delaware is one of the highest in the nation in terms of percent of children receiving special services for the handicapped.

- A State-supported program that encourages school districts to develop both intervention and prevention programs for children-at-risk has been initiated in all districts.

QUALITY OF EDUCATION IS VERY HIGH (continued):

Special Programs (continued)

- Delaware is one of six states in the nation working with the Education Commission of the States and the Coalition of Essential Schools at Brown University to develop strategies for restructuring schools based upon the instructional needs of students.
- Delaware is implementing a plan that makes a full-range of placement opportunities available to special needs students in order to facilitate their placement in a least restrictive environment.
- A comprehensive program of substance abuse education has been implemented in all grades K-12 in Delaware schools.

Nonpublic Schools

- In addition to Delaware's outstanding public schools, there are also private and parochial schools. In the fall of 1990, approximately 22,300 students were enrolled in private elementary and secondary schools throughout the State. Specialized schools for the physically or emotionally handicapped are also available.

Vocational-Technical Training

- More than two-thirds of Delaware's secondary students participate in some form of vocational education.
- Flexibility in the vocational curriculum allows the State to offer new or adjusted courses to meet the economic development needs of the State.
- Vocational-technical students must satisfy minimum competency requirements before graduating.
- In 1989, 5,770 adults were enrolled in vocational training programs and 14% of these participated in an apprentice program.
- Delaware is one of the few states in the nation which encourages all students to participate in career-oriented educational organizations by supporting their individual membership fees through State funding.
- Delaware is unique in the fact that it is one of the few states with a vo-tech school district in each county.
- Delaware is one of the few states that provides related training for registered apprentices at no charge to the apprentice or the employer.
- Delaware encourages all students to participate in career-oriented educational organizations by supporting their individual membership fees through State funding.
- All vocational-technical schools in Delaware offer a full-time integrated academic and vocational curriculum.

VOCATIONAL TRAINING GEARED TO BUSINESS NEEDS :

Training students for productive careers is a prime concern of Delaware educators, and our secondary schools offer vocational programs that complement the diversity of the State's employment opportunities. Since the curriculum is based on up-to-date projections of employer needs, business and industry benefit and prosper by having properly trained employees. Leaders in business and industry help shape these educational efforts.

Student Enrollment
Secondary School Vocational
1989-90

	Vocational School Districts[1]			Comprehensive	
	New Castle County	Kent County	Sussex County	School Districts[2]	State Total
Agriculture	33	37	35	2,726	2,831
Business	393	65	72	14,525	15,055
Communications	49	13	-	109	171
Construction	462	109	176	-	747
Consumer, Personal	255	124	76	-	455
Health	286	59	26	3,942	4,313
Home Economics	185	44	77	15,406	15,712
Industrial Arts	-	-	-	15,392	15,392
Marketing & Dist.	19	-	92	1,068	1,179
Mech. & Repair	386	98	131	80	695
Precision and Prod.	413	90	137	34	674
Special Programs	465	86	106	8,429	9,086
Technologies	170	11	24	-	205
Total	3,116	736	952	61,711	66,515[3]

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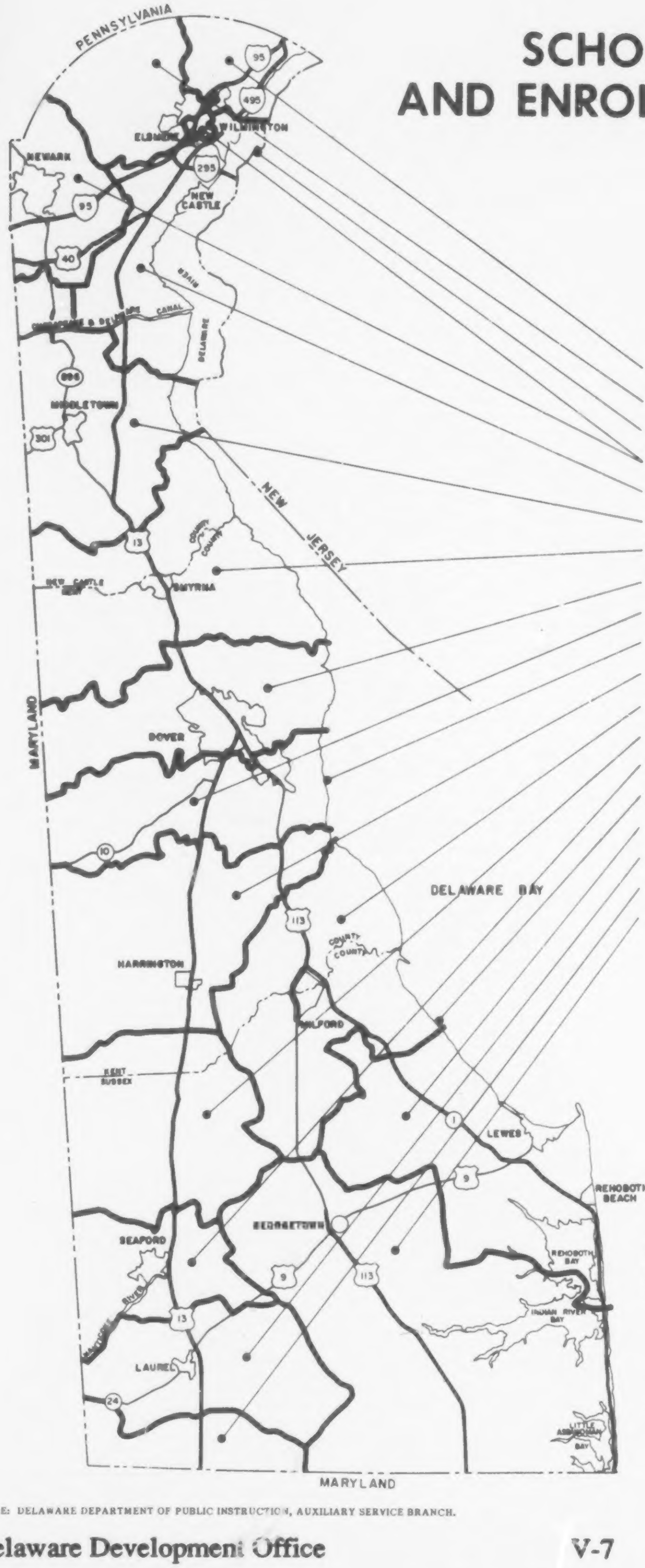
[1] Enrollment data are unduplicated; students eligible for course work in only one program area. Area vocational schools enroll 4,804.

[2] Enrollment data are duplicated. Students are eligible to take courses in more than one program area; therefore, students can be counted in more than one program area.

[3] This figure includes the duplicated program area enrollment; total number of individual students enrolled in vocational education programs in the fall of 1989 was approximately 28,000.

Source: Delaware Department of Public Instruction, Division of Research and Evaluation, January 1991.

SCHOOL DISTRICTS AND ENROLLMENTS, FALL 1990



BRANDYWINE — 11,280
RED CLAY CONSOLIDATED — 14,551
NEW CASTLE COUNTY VO-TECH — 3,060 FT (97 PT)
CHRISTINA — 17,872
COLONIAL — 9,524
APPOQUINIMINK — 2,470
SMYRNA — 2,997
CAPITAL — 6,347
CAESAR RODNEY — 6,312
KENT COUNTY VO-TECH — 53 FT (711 PT)
LAKE FOREST — 3,314
MILFORD - 3,636
WOODBRIDGE — 1,716
SEAFORD — 3,369
SUSSEX COUNTY VO-TECH — 65 FT (887 PT)
CAPE HENLOPEN — 3,727
LAUREL — 2,033
DELMAR — 596
INDIAN RIVER — 6,640

SOURCE: DELAWARE DEPARTMENT OF PUBLIC INSTRUCTION, AUXILIARY SERVICE BRANCH.

POST-SECONDARY OPTIONS ABOUND :

Colleges and Universities

Delaware offers broad opportunities for post-secondary education through five colleges and two universities. More than 75 Associate and 100 Bachelor Degree programs are available in many fields, including liberal arts, business, education, nursing, engineering, and criminal justice. Over 50 programs leading to a Masters Degree are available throughout the State. Doctoral degrees in many different subjects are available in Delaware, including law, and a doctorate in medicine through a formal arrangement with Jefferson Medical College in Philadelphia. Additionally, Delaware has a formal agreement with both the University of Pennsylvania and Cornell University for a doctorate in Veterinary medicine. A formal agreement has also been made with the Pennsylvania College of Optometry. Collectively, Widener University, the publicly-supported University of Delaware, Delaware State College and Delaware Technical and Community College, and the three independent colleges (Goldey-Beacom College, Wilmington College and Wesley College) provide quality education to Delawareans.

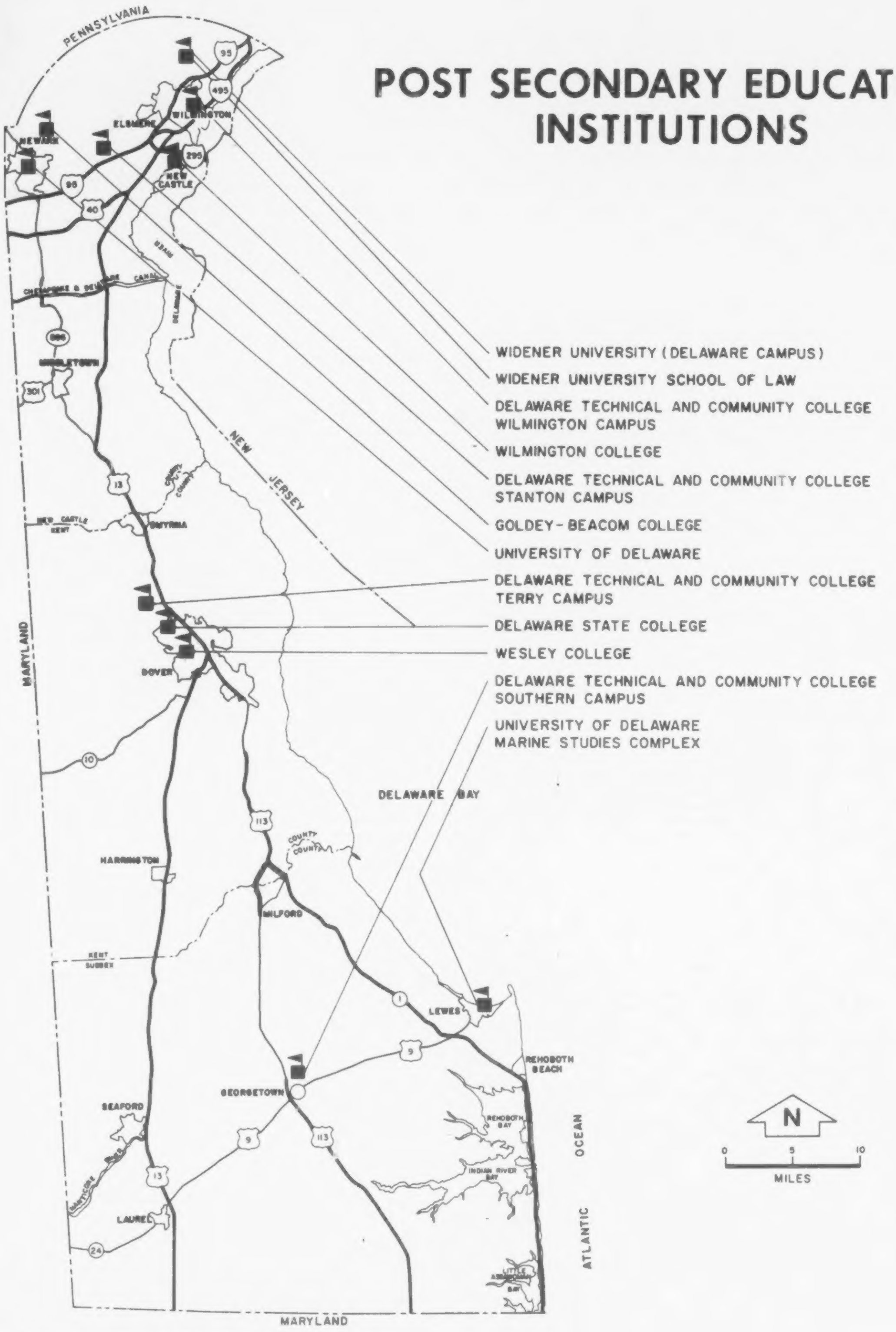
Training Schools

Training schools in Delaware greatly expand the post-secondary educational opportunities available in the State. Training is available in such areas as aircraft piloting, nursing, data processing, secretarial skills, bookkeeping, tractor trailer operation and laboratory technology. Private training schools must be licensed or approved by the State on an annual basis.

Adult Continuing Education

Service to the community at-large, and to employed adults seeking to enhance their job skills, is provided by the continuing education divisions of most of the State's institutions of higher learning. The University of Delaware provides one of the most comprehensive continuing education programs in the nation, with flexible part-time and avocational opportunities at many sites throughout Delaware. Out-of-state undergraduate programs are offered by the Southern Illinois University at the Dover Air Force Base. In addition, evening or weekend study options are offered by several colleges statewide.

POST SECONDARY EDUCATION INSTITUTIONS



SOURCE: DELAWARE DEPARTMENT OF PUBLIC INSTRUCTION, AUXILIARY SERVICE BRANCH.

HIGHLIGHTS OF STATE-SUPPORTED HIGHER EDUCATION :

University of Delaware

- A state-assisted University, the University of Delaware is a Land-Grant and Sea-Grant institution. The University's main campus is in Newark. A University Parallel Program is conducted in cooperation with Delaware Technical and Community College at locations in New Castle County, Dover, and Georgetown. An information center in Dover also houses outreach activities of the College of Urban Affairs and Public Policy and the Office of Government Relations. A Milford Center is used for continuing education classes and the new Southern Delaware Academy of Lifelong Learning. The College of Agricultural Sciences Research and Educational Center and an information center are located in Georgetown, and the College of Marine Studies Complex and a research park are in Lewes. Continuing Education facilities, an Urban Agent Division, Cooperative Extension activities, the Academy of Life-Long Learning, and a Visitors' Center are in Wilmington.

- The average SAT verbal and mathematics scores for entering freshmen are well above the national average for college-bound students. Twenty-two percent of the 1990 entering freshmen ranked in the top 10 percent of their high school graduating classes and just under half ranked in the top 20 percent.

- The University's tenure-track faculty includes internationally known scientists, authors, and teachers, 87 percent of whom hold doctorates. Among these scholars are recipients of the von Humboldt Award, National Science Foundation Awards, the Evans Biography Literary Award, the Teetor Award of the Society of Automotive Engineers, the Silver Gavel Award of the American Bar Association and the Outstanding Progress in Chemical Engineering Award. Others have received recognition from the National Academy of Science and the National Academy of Engineering and have been recipients of the Rhodes Scholarship, the Pulitzer Prize, and the Fulbright-Hays Award, as well as Woodrow Wilson, Guggenheim, Rockefeller Foundation, and J. Paul Getty Fellowships.

- The University's College of Business and Economics is fully accredited by the American Assembly of Collegiate Schools of Business. Undergraduate and graduate programs are offered in the areas of accounting, business administration, and economics.

- The American Bankers Association conducts its prestigious Stonier Graduate School of Banking in the summer on the campus.

- Relationships with business organizations in the State are strengthened through resource information service groups, such as the Center for Economic Education, the Bureau of Economic and Business Research, and the Small Business Development Center. A Center for Financial Institutions Research and Education fosters publicly beneficial interactions with the financial community, and a new Center for Information Systems Management Education and Research provides a focal point for the continued integration of management information systems topics throughout the curriculum and in research areas.

- Cooperative programs are conducted with the Henry Francis du Pont Winterthur Museum, the Eleutherian Mills-Hagley Foundation, Longwood Gardens and the Bartol Research Institute in such areas as museum studies, art conservation, ornamental horticulture and physics.

HIGHLIGHTS OF STATE-SUPPORTED HIGHER EDUCATION (continued) :

University of Delaware (continued)

- With more than 1.9 million volumes of books and serials, the University of Delaware Library, a member of the prestigious Association of Research Libraries, is the largest comprehensive research collection in the State. DELCAT, the University of Delaware Library on-line catalog, is accessible via off-campus modems throughout the State.

- The University conducts a wide range of research, both basic and applied. A number of specialized research units contribute to this effort and provide students with the opportunity to conduct research in conjunction with faculty, professional staff and industrial personnel. The University's Undergraduate Research Program, part of the University Honors Program, encourages undergraduate participation in research projects. The Delaware Research Partnership uses state funds to attract matching grants from industry in support of University research that has the potential to enhance economic development. The University of Delaware Research Foundation works to help the University attract and support talented faculty members in the sciences and engineering.

- The University of Delaware is a leader in the development of instructional programs making use of sophisticated computer technology.

Delaware Technical & Community College

- Delaware Technical & Community College, with four campuses located in Delaware's three counties - Wilmington and Stanton Campuses in New Castle County, Terry Campus in Kent County, and the Southern Campus in Sussex County - is within easy access of all Delaware residents.

- Up-to-date programs in the Health, Business, Engineering, and Public Service Technologies meet the demands of business and industry.

- Unique programs that reflect a close working relationship with business and industry include: Fire Protection Technology, Poultry Technology, Automotive Engineering/Robotics, Computer Engineering Technology, Dental Hygiene Technology and Radiologic Therapy Technology.

- In addition to traditional curriculum courses and continuing education programs, Delaware Tech has a Statewide network of technical specialists who work with local business and industries in delivering courses designed to meet specific needs for a complex and ever-changing industrial community. The Industrial Training component of the College is extremely flexible. Course content varies according to individual needs. Programs include start-up training for newly located businesses and technical training for upgrading the skills of existing employees.

- Cooperative education and internship training programs provide students with practical work experience increasing their marketable skills.

HIGHLIGHTS OF STATE-SUPPORTED HIGHER EDUCATION (continued) :

Delaware Technical & Community College (continued)

- The average age of the student population is 28 years. Because of their maturity and outstanding technical skills, Delaware Tech graduates are in demand. Each year 85-90% of the graduates are employed in their area of training within six months after graduation.

Delaware State College

- The College is located in Dover (Kent County) and is a State-supported land-grant institution of higher education. The campus is adjacent to U.S. Highway 13 and has developed into a modern 400 acre complex.

- The student population is drawn primarily from Delaware and includes students from the various sections of the U.S., Africa, South America, Asia, and the Middle East.

- The ultra-modern Library-Learning Center contains more than 225,000 volumes, along with approximately 1,100 periodical subscriptions and 300,000 microform items.

- A progressive liberal arts institution, the College is committed foremost to academic excellence and intellectual competence. Freedom of expression and inquiry, the exchange of ideas, cultural activities, intensive classroom instruction and numerous informal events of the College community combine to ensure that each student receives a quality education.

- Approximately 100 major fields and a variety of courses in other disciplines are offered by the College. A cooperative Engineering Program is available in which the educational program is offered by Delaware State College and the University of Delaware. A Bachelor of Technology Program is available to associate degree technology program graduates from the Delaware Technical and Community College campuses.

- Nationally accredited undergraduate programs are available in the fields of Chemistry, Social Work and Nursing.

- In the Sussex County area, the College offers third and fourth year courses in the areas of Elementary Education, Social Work, and Occupational Teacher Education. This is part of a cooperative effort with the University of Delaware and Delaware Technical and Community College to provide for the educational needs of the citizens of Sussex County.

- The Evening Program meets the learning needs of individuals who wish to further their education on a part-time basis. Evening classes are available at the main campus and at other sites throughout the State.

- Masters Degrees are offered in the field of Elementary Education, Special Education, Business Administration, Social Work, Biology, Chemistry and Physics. Most of these departments offer several curriculum options which students may pursue in obtaining the Masters Degree.

CENTER OF RESEARCH AND DEVELOPMENT ACTIVITY :

Examples of firms conducting research and development activities in Delaware include:

E. I. du Pont de Nemours and Company

The Du Pont Company has more than a half-dozen research facilities in Delaware which serve six principal research areas: health science, agricultural products, polymers, industrial and specialty chemicals, chemical processes, and electronics and imaging. The research effort encompasses the support of the existing businesses and products, the discovery and development of new products and businesses, and fundamental research of potential utility in ongoing and developing businesses. About half of the company's worldwide research staff is employed in Delaware.

Hercules Incorporated

Hercules conducts its major research and development at its research center near Wilmington. The center has approximately 800 employees, and research is targeted at fundamental studies in chemistry and engineering, applied research on new products, development of pilot plant processes, the improvement of manufacturing techniques for existing product lines, and the identification and development of new business opportunities for the corporation.

ICI Americas Inc.

ICI Americas' headquarters site near Wilmington includes chemical research and development laboratories, as well as a pharmaceuticals Research and Development (R & D) Center. The pharmaceuticals R & D Center incorporates some of the most advanced pharmaceutical research equipment and technology available today. ICI Americas' research activities are closely coordinated with the worldwide research programs of its parent company, Imperial Chemical Industries PLC of London, England, one of the world's largest chemical companies.

HIMONT Incorporated

HIMONT, a Montecatini company, part of the Ferruzzi/Montedison Group, has its North American Research and Development Center and its headquarters located near Wilmington. Approximately 280 people are engaged in research and development in polypropylene, polyolefins, engineering polymers, and specialty chemicals areas. HIMONT has approximately 20% of its worldwide work force engaged in technical activities.

CENTER OF RESEARCH AND DEVELOPMENT ACTIVITY (continued) :

University of Delaware

The University of Delaware's outstanding reputation for research in cooperation with industry extends through a wide range of areas. The breadth and depth of the University's research efforts are indicated by its experience as a partner with industry in such areas as composite materials; information science, including expert systems and software development; natural science, with emphasis on biotechnology; energy, with particular excellence in photovoltaics; virology and development of genetically engineering vaccines; and agrigenetics, including plant tissue culture research. The Delaware Research Partnership, a fund established at the University by the State in 1984 and expanded annually, provides matching monies for new technological investigations with industry. The University Research Park at Lewes, adjacent to the College of Marine Studies Complex, offers sites for corporate tenants who would interact with University researchers. Through its ten colleges, its institutes and various centers, including the Center for Composite Materials, Center for Climatic Research, Center for the Study of Marine Policy and others, the University has helped foster growth and development in the chemical, computer, energy, food, agricultural and marine sciences industries. The University's Institute of Energy Conversion is one of the world's largest thin-film solar cell laboratories performing research and process development for industry.

W. L. Gore and Associates, Incorporated

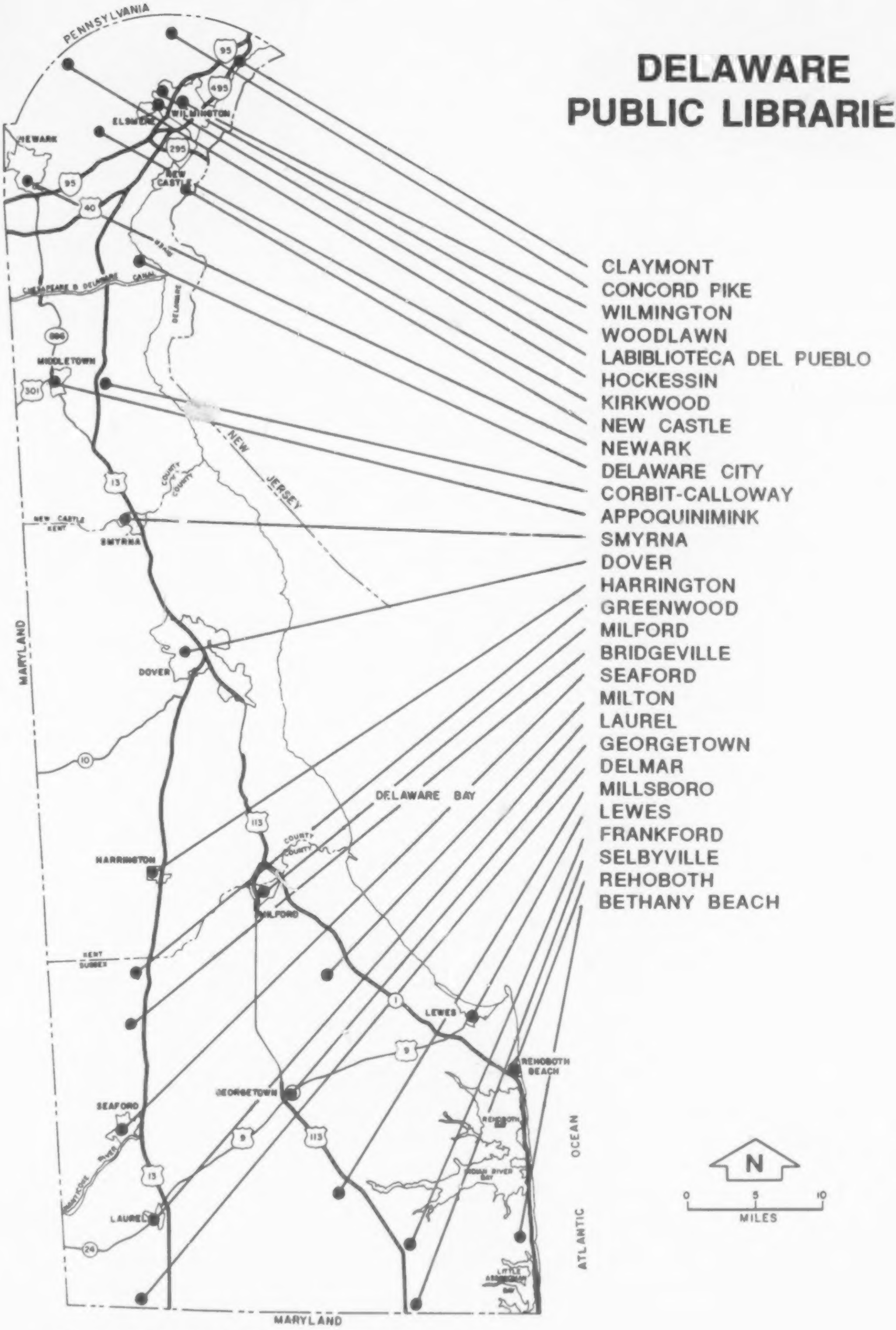
W. L. Gore & Associates, Inc. is an international manufacturing firm with corporate headquarters and manufacturing facilities in Newark. Major developments in electronic, fiber, filtration, fabric, and medical product areas followed Dr. Robert W. Gore's 1969 discovery of a way to stretch polytetrafluoroethylene (PTFE, a polymer familiar to consumers as DuPont's "Teflon") to produce the GORE-TEX membrane. GORE-TEX expanded PTFE is now being used in outerwear, high performance fibers, industrial filtration systems, clean room products, vascular grafts and synthetic knee ligaments, in addition to many other uses.

The company is heavily committed to research and development, resulting in a continually broadening range of products. Gore's unique corporate culture, termed the "lattice structure," stresses freedom, fairness, commitment and good judgment in an open and creative work environment. Associates have no titles, communicate directly with one another, and work closely together in teams and task forces. Gore Associates believe this unique culture enables the company to respond quickly to changing market developments and have been a key element in the company's success and growth.

Delaware's Public Libraries

Public libraries in Delaware provide programs and services to meet the informational, educational and recreational needs of all people in the First State. Library services are provided to every person, regardless of place of residence, physical disability, social status, or economic circumstance. Delaware's public libraries work cooperatively with related local, county, and state agencies and organizations to promote the development and growth of information services, including the sharing of information sources across geographic boundaries and among all types of libraries. Libraries provide programs and space for community educational and cultural enrichment. All residents of Delaware are provided with library and information services that support the economic and social well-being of the individual, community, county and state.

DELAWARE PUBLIC LIBRARIES



Source: Division of Public Libraries

SECTION VI

MARKETS / TRANSPORTATION

Delaware's location at the center of the East Coast of the United States provides unusually good market access. Delaware lies in the Eastern Megalopolis where one-third of the population of the United States resides. A circle, 350 miles in radius and centered in Wilmington, encompasses every major population center from Boston, Massachusetts in the north, to Raleigh, North Carolina, in the south, and as far west as Cleveland, Ohio. Modern highways, railroads, airports, ports, and public transit systems facilitate the movement of products and people.

Section Title	Page
Delaware Exporter Assistance	VI-2
Easy Access to One-Third of the Nation's Population	VI-3
Excellent Highway System Serving the Eastern Megalopolis	VI-4
Delaware's Highways Keep Pace With State's Growth	VI-4
Lower Automobile Transportation Costs	VI-4
Railroad Service to Every County	VI-7
Mainline Passenger Rail Service	VI-7
Airports Link Delaware With Nation and World	VI-9
Year-Round Port Service	VI-11
Public Transit Systems Serve a Variety of Needs	VI-13
Statewide Carpooling and Other Commuter Services	VI-14

DELAWARE EXPORTER ASSISTANCE :

In-house and on-site counseling is provided by trained Delaware Development Office staff to small and medium-sized businesses wishing to export for the first time or to expand their current export sales. Assistance is focused on counseling, exporter education, acquisition of overseas distributors and marketing. As an Associate Office of the U.S. Department of Commerce, pertinent U.S. Department of Commerce programs are identified for businesses as well as programs of the U.S. Small Business Administration and Export-Import Bank of the United States.

In 1989, Delaware was one of three states to receive the prestigious President's "E" Award for Excellence in Exporter Assistance. One of the highlights of the Delaware Exporter Assistance Program is the state-sponsored Trading Company Program. By working with Ballagh & Thrall, Inc., a private export management company, direct overseas marketing assistance can be given to Delaware companies by utilizing the existing network of agents and distributors of Ballagh & Thrall.

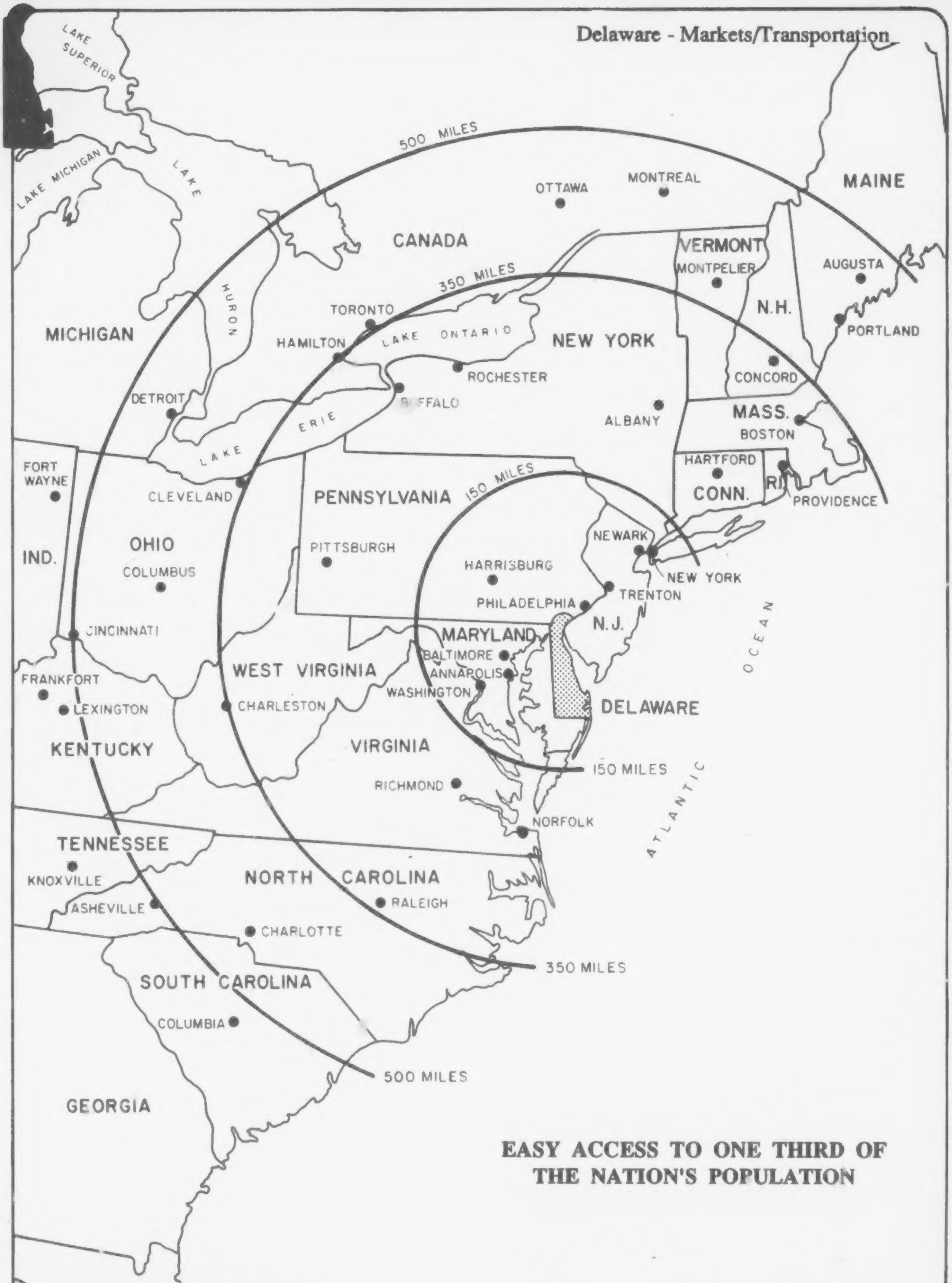
The newest program to be added to the Exporter Assistance Program is a trade finance program known as PERLOC (See Page III-7) or the Preferred Export Revolving Line of Credit Program. By working with a local bank, exporters now have the opportunity to apply for a PERLOC loan which is guaranteed up to 80% by the U.S. Small Business Administration. Loans can be made up to $1 million and can be used to purchase raw materials or finished goods needed for the manufacturing and wholesaling of exports as well as to finance labor. Professional marketing services, foreign business travel, and participation in trade shows are also eligible under the program.

The Delaware Exporter Assistance Program also offers a cost-effective comprehensive global insurance program thorugh Johnson & Higgins of Delaware, Inc.

The Delaware Development Office hosts trade delegations visiting the State and participates in trade missions, trade shows, and catalogue shows. The Delaware Development Office has also hosted delegations from Dubai, Costa Rica, Japan, Korea, Hong Kong, Signapore, Sweden and Taiwan.

Additional services provided to Delaware exporters include the "Delaware Exporter Directory" and the "Delaware International Trade Services Directory." Delaware is also the only state to offer exporters nationwide the benefits of its Shared Foreign Sales Corporation (SFSC) Program. Groups of 25 or fewer unrelated exporters can participate as shareholders in a SFSC which entitles them to a 15% federal tax exemption on export profits. Also, a similar exemption is provided on Delaware state taxes.

Additionally, the Delaware Development Office works closely with Foreign Trade Offices, the Governor's International Trade Council (GITC), and the World Trade Center Institute Delaware (WTCIDE). An affiliate of the World Trade Centers Association headquartered in New York City, the WTCIDE is linked with 70 worldwide trade centers and more than 400,000 affiliated companies.



EASY ACCESS TO ONE THIRD OF THE NATION'S POPULATION

EXCELLENT HIGHWAY SYSTEM SERVING THE EASTERN MEGALOPOLIS :

The major north-south highway along the Eastern Seaboard is Interstate 95. Delaware's direct access to I-95 provides industry with fast, efficient, economical delivery service anywhere in the nation. More than 25% of the U.S. population can be reached within one day.

I-95 joins Delaware in the north from Philadelphia, travels through Wilmington to the Maryland line south of Newark and provides a direct connection to points south and west via the Baltimore Harbor Tunnel and Baltimore Beltway. I-295 crosses the Delaware River via the Delaware Memorial Twin Bridges linking with the New Jersey Turnpike on its way to New York and New England. The Wilmington Bypass, I-495, provides access to the Port of Wilmington and many of northern Delaware's major industrial parks.

Major industrial centers in central and southern Delaware are linked to the interstate system by U.S. Highways 13 and 113. These routes provide direct connections with the Chesapeake Bay Bridge Tunnel to Norfolk and southern states. U.S. Route 301 begins at the Delaware Memorial Twin Bridges and goes to Richmond, Virginia via the Chesapeake Bay Bridge at Annapolis, Maryland. This convenient route joins I-60 and rejoins I-95 at Richmond, Virginia thus bypassing the congested Baltimore, Maryland and Washington, DC areas for time saving delivery. The Cape May-Lewes Ferry links southern New Jersey with southern Delaware, joining the entire Delmarva Peninsula with the Garden State Parkway.

ICC common and contract carriers are available throughout the State. There are also numerous private truck rental companies.

DELAWARE'S HIGHWAYS KEEP PACE WITH STATE'S GROWTH :

The Delaware Turnpike Administration is responsible for providing the motoring public with a highway system that is safe, well maintained and free from unnecessary travel delays.

Working with traffic and engineering consultants, the Turnpike staff stays alert to the future demands projected for Delaware's roadway system. As the population of northern Delaware continues to increase, the Turnpike and Interstate systems will be relied upon to carry significantly larger volumes of both intra and interstate traffic.

The current construction of a North-South Relief Route in Central Delaware is a major project designed to meet the increased commercial and tourist traffic that flows throughout the state.

Driving security on Delaware's Turnpike and Interstate systems has also been enhanced by the installation and maintenance of a highly accessible Motorist Call Box System.

LOWER AUTOMOBILE TRANSPORTATION COSTS :

Delaware transportation costs are moderate when compared to other areas of the country as illustrated by the personal transportation index tabulated on Page VI-5.

LOWER AUTOMOBILE TRANSPORTATION COSTS (continued) :

Index of Automobile Transportation Costs

	Family Income $30,000
Dover, DELAWARE	94.6
Wilmington, DELAWARE	104.9
Washington, DC	111.0
Chicago, Illinois	112.1
Baltimore, Maryland	108.2
Boston, Massachusetts	122.9
Trenton, New Jersey	116.6
New York, New York*	187.5
Philadelphia, Pennsylvania	118.5
Standard City, U.S.A.	100.0

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*Includes public commutation.

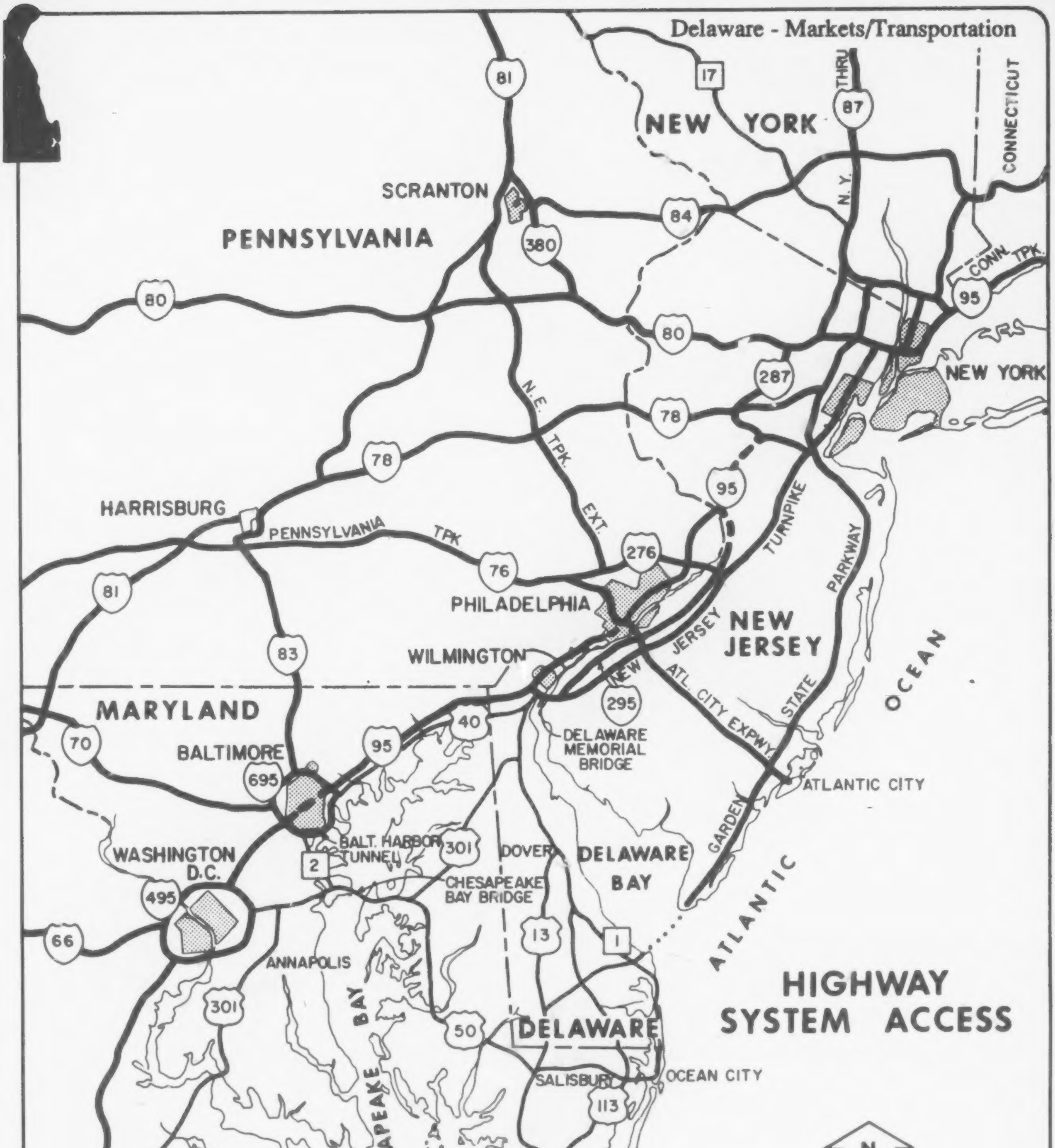
Source: Runzheimer and Company, Inc., Rochester, Wisconsin, January 1991.

Delaware's average automobile insurance premium is 9% lower than the regional average. This is due, in part, to lower residential density, well-designed and maintained roads, strictly enforced drunk driving laws, and Delaware's "guest" statute. The guest statute protects the owner-driver of a motor vehicle from being sued for damages by a volunteer passenger in the event the driver does not willfully cause an accident.

Average Automobile Premiums

	1988	Percent Change 1987-1988
DELAWARE	$581.46	8.3%
Maryland	604.41	1.2
New Jersey	733.66	15.6
New York	601.84	3.1
Pennsylvania	620.33	9.0
Massachusetts	834.76	27.3
Washington, DC	606.39	4.6
Illinois	448.00	2.0
Ohio	376.82	7.4
National Average	517.71	6.3

Source: AM Best Company, Oldwick, New Jersey 08858, Best's Insurance Management Reports, February 5, 1990.



HIGHWAY SYSTEM ACCESS

Source: Delaware Transportation Authority.

RAILROAD SERVICE TO EVERY COUNTY :

Delaware is served by the mainlines of Conrail and CSX Railroads. Conrail's north-south route through Delaware facilitates fast through service to the vital Northeast Corridor mainline and connections with CSX.

In recent years, Conrail has invested over $50 million in track improvements within the Delmarva Peninsula. In 1988, a $30 million project was completed incorporating 80 miles of continuous welded rail from Newark to Indian River. A 1988 project incorporated continuous welded rail over the New Castle Secondary and Shellpot Secondary, thereby updating all of Conrail's prime track in New Castle County.

The north-south route runs the entire length of the Delmarva Peninsula and makes a convenient, economical alternative connection to the southern gateways through Norfolk, Virginia via the Eastern Shore Railroad's car float operation at Cape Charles, Virginia.

There are direct connections to the Port of Wilmington for fast, low cost import/export shipping. Connections are also available to the Port of Lewes. Piggyback service is available from Delaware to most major U.S. industrial and distribution centers.

Most of Delaware's plant sites are adjacent to rail lines or have constructed rail sidings at the plant location. Rail sidings are easily obtainable in Delaware as compared to other states in the region due to the lack of rail congestion.

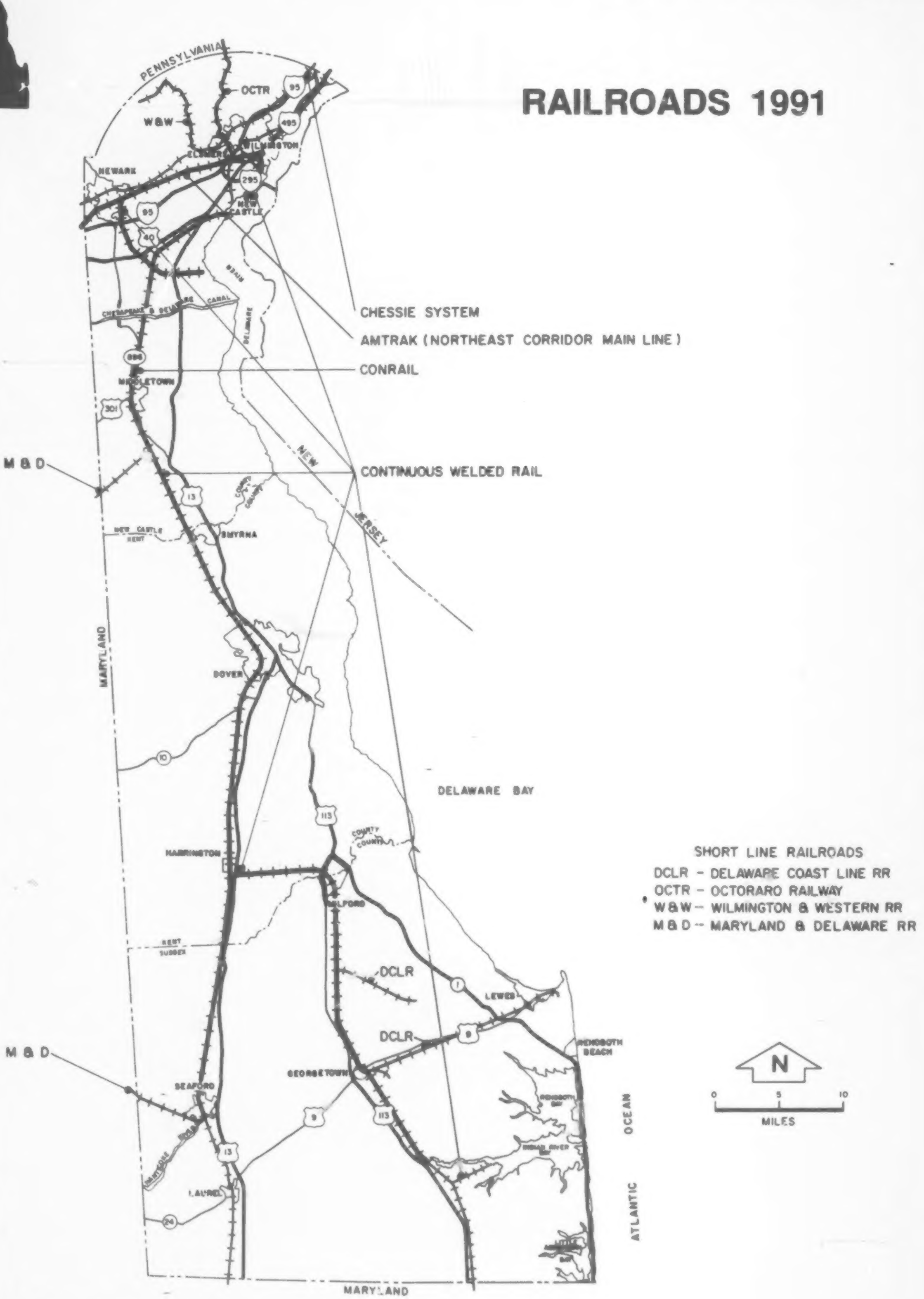
In addition to major carriers, Delaware is also served by short-line railroads. The Delaware Coastline, Octoraro, Wilmington and Western, and the Maryland and Delaware Railroads provide service to several locations throughout Delaware.

MAINLINE PASSENGER RAIL SERVICE :

AMTRAK Metroliners depart approximately every hour from Wilmington for the one-and-a-half hour trip to Washington, DC and New York City. There are scheduled intermediate stops in Baltimore, Philadelphia, Newark (New Jersey), and the two stations serving the Washington, DC Beltway and the Metropark in New Jersey. Other AMTRAK passenger trains provide service to Boston, Massachusetts, Florida, and the West.

DelDOT/SEPTA Wilmington-Philadelphia commuter rail service operates over 30 trains daily. The R2 trains have local station stops in Delaware County, as well at all three center-city Philadelphia stations connecting with SEPTA buses and regional rail services, including the Philadelphia International Airport line. A second Delaware stop in Claymont opened in 1990. The commuter rail service also interfaces with the DART system to provide convenient travel throughout Wilmington and New Castle County. Monthly and weekly rail passes provide commuters with special money-saving fares when they connect with DART and SEPTA. Based on growth of demand, an expansion in commuter rail service is anticipated.

RAILROADS 1991



SHORT LINE RAILROADS
DCLR - DELAWARE COAST LINE RR
OCTR - OCTORARO RAILWAY
W & W -- WILMINGTON & WESTERN RR
M & D -- MARYLAND & DELAWARE RR

SOURCE: DELAWARE TRANSPORTATION AUTHORITY.

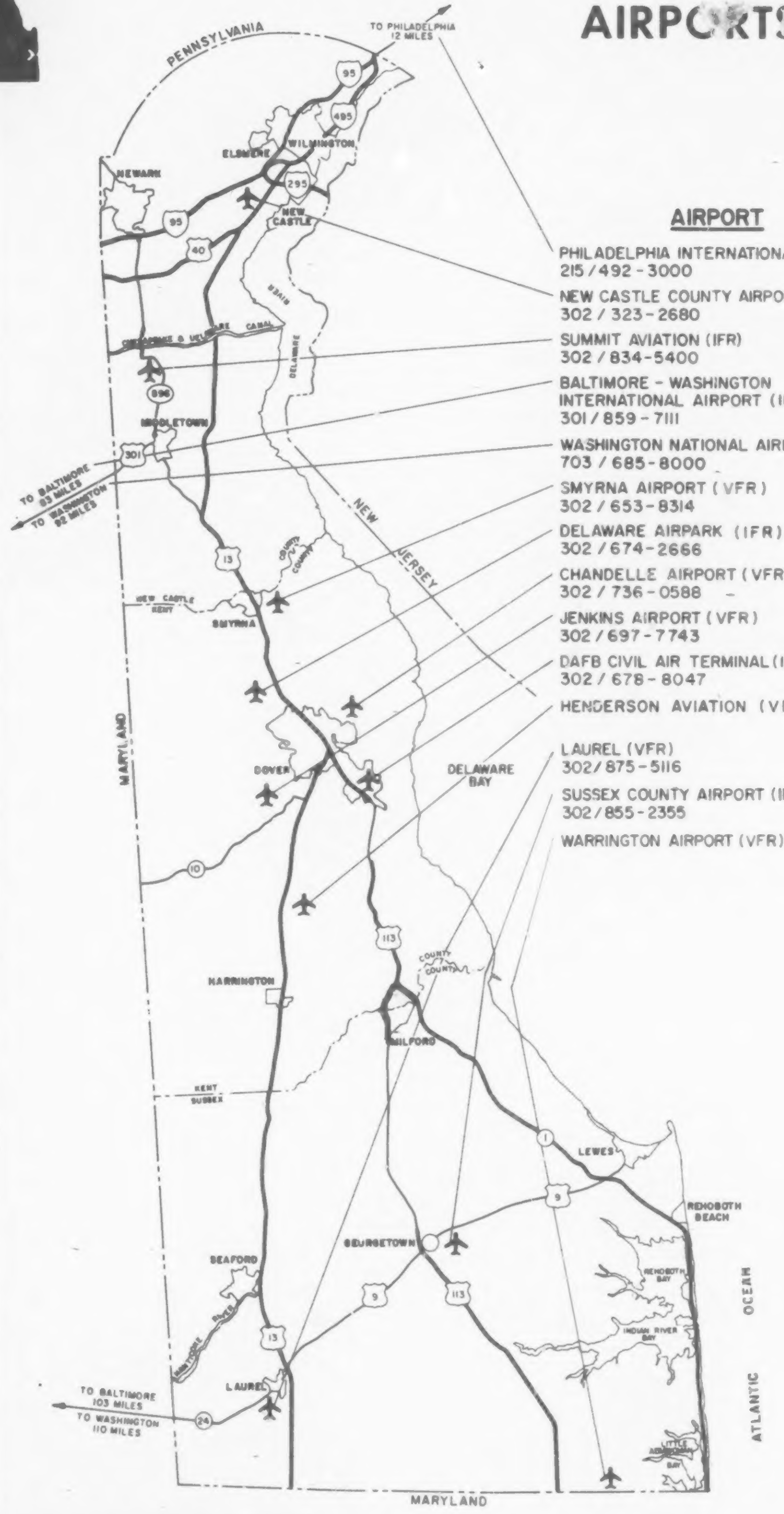
AIRPORTS LINK DELAWARE WITH NATION AND WORLD :

Delaware's network of public and private airports can readily accommodate commercial and corporate aircraft. Worldwide passenger service is one-half-hour from downtown Wilmington at the Philadelphia International Airport. For southern Delaware, the Baltimore-Washington International Airport is less than a two-hour drive from most locations in Kent and Sussex Counties.

The New Castle County Airport, just 15 minutes from Wilmington, offers worldwide cargo service with the fastest, most efficient ground delivery system in the four-state area. The airport is also equipped with complete facilities for major engine and mainframe maintenance and repair. Several other airports in the State offer major and minor repair and maintenance service for commercial and corporate aircraft. Leasing and storage for aircraft is also available at key locations.

The New Castle County Airport and the Sussex County Airport in Georgetown both offer the double convenience of good transportation and prime industrial sites. In addition, access to central Delaware by air is enhanced by a joint agreement with the Dover Air Force Base for multi-engine business aircraft.

AIRPORTS AND SERVICES 1991



AIRPORT	LONGEST RUNWAY	SERVICE
PHILADELPHIA INTERNATIONAL AIRPORT 215 / 492 - 3000	PAVED 10,500'	HANGARS, TIEDOWNS, REPAIRS, JET
NEW CASTLE COUNTY AIRPORT (IFR) 302 / 323 - 2680	PAVED 7,165'	HANGARS, TIEDOWNS, REPAIRS, AVGAS, JET
SUMMIT AVIATION (IFR) 302 / 834-5400	PAVED 4,500'	HANGARS, TIEDOWNS, REPAIRS, AVGAS, JET
BALTIMORE - WASHINGTON INTERNATIONAL AIRPORT (IFR) 301 / 859 - 7111	PAVED 9,452'	HANGARS, TIEDOWNS, REPAIRS, AVGAS, JET
WASHINGTON NATIONAL AIRPORT (IFR) 703 / 685 - 8000	PAVED 6,900'	HANGARS, TIEDOWNS, REPAIRS, AVGAS, JET
SMYRNA AIRPORT (VFR) 302 / 653 - 8314	TURF 2,660'	AVGAS, HANGARS, TIEDOWNS, MOGAS
DELAWARE AIRPARK (IFR) 302 / 674 - 2666	PAVED 3,520'	HANGARS, TIEDOWNS, REPAIRS, AVGAS, JET
CHANDELLE AIRPORT (VFR) 302 / 736 - 0588	PAVED 2,550'	HANGARS, TIEDOWNS, REPAIRS, AVGAS
JENKINS AIRPORT (VFR) 302 / 697 - 7743	TURF 2,875'	TIEDOWNS, REPAIRS
DAFB CIVIL AIR TERMINAL (IFR) 302 / 678 - 8047	PAVED 13,000'	
HENDERSON AVIATION (VFR)	TURF 2,060'	TIEDOWNS, REPAIRS
LAUREL (VFR) 302/ 875 - 5116	TURF 3,120'	HANGARS, TIEDOWNS, REPAIRS, AVGAS
SUSSEX COUNTY AIRPORT (IFR) 302/ 855 - 2355	PAVED 5,000'	HANGARS, TIEDOWNS REPAIRS, AVGAS, JET
WARRINGTON AIRPORT (VFR)	TURF 2,171'	TIEDOWNS

SOURCE: DELAWARE TRANSPORTATION AUTHORITY.

YEAR-ROUND PORT SERVICE :

The first inbound port along the Delaware River, the Port of Wilmington is located at the mouth of the Christina River, approximately 65 miles from Atlantic shipping lanes. The Port offers 3500' marginal berthing with a 38-foot project depth. The Port presently covers 300 acres and future expansion is planned. The Port area is sheltered from sea conditions and experiences a moderate climate and light traffic density, thereby allowing the handling of ocean carriers with speed and efficiency.

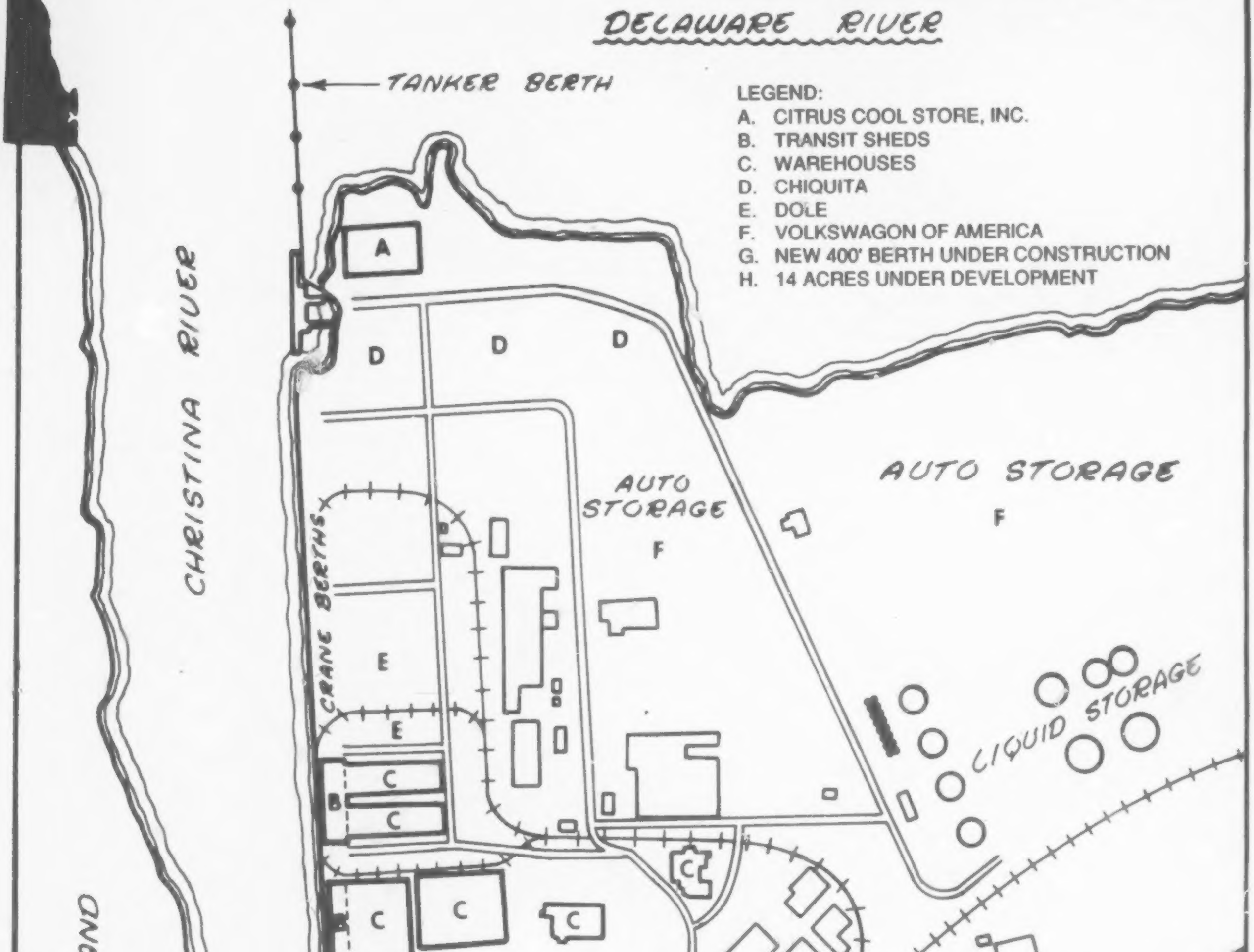
The Port of Wilmington has modern, state-of-the-art facilities and equipment, and can handle all types of containerized, breakbulk and bulk cargoes. The Port has two 40-ton container cranes, which are capable of handling bulk cargoes as well. In addition, there is a Clyde Gantry crane with 100-ton hook capacity and a Hyle-Patterson bulk unloader for ores and dry bulk. A fleet of forklifts with lifting capacities from 5,000-80,000 pounds are used to handle cargoes from shipside into dockside warehouses and to load trucks and railcars for delivery offport.

More than 2 million square feet of open space is available for storage of import vehicles, steel, aluminum and containers. In addition, 200,000 square feet of covered warehouse is available for storage of dry cargoes such as lumber, newsprint, woodpulp and bagged goods. Modern refrigerated warehouses are located at dockside in front of Berths 5 and 6, offering 3.6 million cubic feet of temperature-controlled storage space for fresh fruits, frozen meats and juice concentrates.

The Port is located within one-quarter mile of Interstate 495 for immediate access to East Coast markets, and is 25 miles from I-76, one of the region's major east/west arteries. Rail access to the Port is available via Conrail and the Chessie System, with railcar loading docks located next to every terminal warehouse.

The Port of Wilmington currently handles 4.5 million tons of waterborne cargo annually, including the following: bananas (palletized and containerized); import and export vehicles; frozen meat and seafood; frozen juice concentrates; fresh fruits; lumber; steel; Kraft linerboard; gypsum; salt; urea; petrolcoke, various bulk ores and minerals, and liquid bulk such as petroleum products. The Port of Wilmington is now the nation's largest banana port, and is Volkswagen's largest U.S. autoport as well.

The Port of Wilmington offers potential savings over neighboring ports because of reduced vessel transit time to and from the Atlantic Ocean, and due to high labor productivity with economical handling rates.



Source: Port of Wilmington, Delaware Administrative Offices.

PUBLIC TRANSIT SYSTEMS SERVE A VARIETY OF NEEDS :

A wide-range of transportation services are available under the umbrella of the Delaware Department of Transportation (DelDOT), designed to meet today's needs and respond with new ideas for meeting future growth and changing life styles.

The Delaware Administration for Regional Transit (DART) operates 26 bus routes serving the urbanized portion of northern Delaware, including Wilmington and Newark. The DART fleet has 124 state-of-the-art two-way radio equipped buses. DART is one of the few transit systems in the nation utilizing the United States Coast Guard LORAN C location system to monitor where each bus is located at any given time. Additionally, the Wilmington business district is served by a Downtowner lunchtime bus loop and Suburbaner buses which connect the city with the Route 40 corridor area. The City of Newark and the University of Delaware operate UNICITY, a local fixed-route bus system serving the Newark community and supplementing DART service. The University of Delaware also operates UNISTATE, public fixed-route bus service between Newark and Lewes with stops at all towns enroute. Daily express and local commuter bus service is provided by DelDOT between Dover and Wilmington, as well as a Delaware Beach Bus which travels between Wilmington and Rehoboth Beach, Dewey Beach and Fenwick Island on weekends from Memorial day through Labor Day.

Central Delaware Transit (CDT) is now in its second year of serving Delaware's capital city, Dover, and surrounding areas of Kent County. Delaware Resort Transit provides bus service along the southern Delaware shore during the summer. A joint DelDOT/SEPTA project for bus service between West Chester, Pennsylvania and Wilmington is currently under development. Trailways intercity bus service is available to all major communities, including Southern Delaware vacation sites.

Hourly mainline AMTRAK service from Wilmington connects Delaware with major metropolitan areas in the Northeast. This service links Delaware to the 500 cities served by AMTRAK nationwide. In cooperation with the State of Delaware, SEPTA's Regional Rail R2 trains provide convenient, comfortable and economical weekday morning, midday and evening commuter service between Wilmington, Claymont, Delaware and Philadelphia.

The Delaware Administration for Specialized Transportation (DAST) provides door-to-door transportation for the elderly and handicapped throughout the state. In addition to handicapped accessible local service, DAST provides a public tri-county transportation system enabling residents from Kent and Sussex Counties to have access to medical facilities located in the northern portion of the state. DAST also administers a number of federal and state funded programs which enable private organizations to provide specialized transportation for specific elderly or handicapped groups.

Taxi service is available throughout the state and there are numerous charter bus and limousine operators. Delaware sponsors a statewide Senior Citizens Affordable Taxi (SCAT) program which allows senior citizens to travel by taxi at half the normal rate.

STATEWIDE CARPOOLING AND OTHER COMMUTER SERVICES

Delaware's highways are more efficient because of The Commuter Services Administration (CSA). The broad mission of CSA is to serve as a clearinghouse for all commuter-related activities - promote the various methods of public transit, including the use of carpooling, vanpooling, DART service, and commuter buses - and discover innovative ways to better serve the traveling public, thereby reducing traffic congestion and its accompanying air pollutants.

CSA operates 37 Park and Ride sites in Delaware. The State owns 7 of these and the remainder are joint-use agreements with local businesses and churches. CSA administers 18 vanpools for State employees. These vanpools travel a combined total of over 336,000 miles annually, while removing more than 200 vehicles from Delaware roads daily.

To promote individual and business use of carpooling, vanpooling and DART bus service, CSA has developed a computerized matching service including auto-geo coding for over 17,000 streets in New Castle County. This free service provides precise traffic analysis tailored to employers' and individual's commuting needs.

The Travelink Traffic Mitigation Act offers a reduction in business taxes and/or license fees to eligible employers who join with CSA in approved programs that work to reduce traffic congestion.

CSA is also a partner in the Transportation Management Association (TMA) of New Castle County, a coalition of government, business and service organizations working together to devise new traffic mitigation techniques.

SECTION VII

UTILITIES/RESOURCES

Reliable electricity, available natural gas, one of the most modern telephone systems in the country, and abundant surface water combine to make Delaware a very attractive business location.

Section Title	Page
Adequate Electric Power - Today and Tomorrow	VII-2
Electric Rates Compared	VII-4
Available Natural Gas	VII-5
Modern Communications Systems	VII-7
Waste Systems	VII-8
Abundant Water Resources	VII-9

ADEQUATE ELECTRIC POWER - TODAY AND TOMORROW

Ninety-four percent of Delaware's electric power is generated by Delmarva Power and Light Company an investor-owned generating company headquartered in Wilmington. Delmarva Power is a member of the Pennsylvania-New Jersey-Maryland Interconnection. Approximately 6% of the State's electric power is generated by several municipal companies.

Delmarva Power is in a strong position to provide energy at a competitive price both now and in the future. Delmarva Power operations are geared to provide its 368,000 electric and 85,000 gas customers with reliable service at competitive prices. Presently, reliability exceeds 99%.

The Company employs about 2,800 people and has generating facilities in Edgemoor, Delaware City and Indian River in Delaware and in Vienna, Maryland. The Company also shares ownership in Keystone and Conemaugh in Western Pennsylvania, as well as two nuclear facilities at Peach Bottom and Salem, New Jersey.

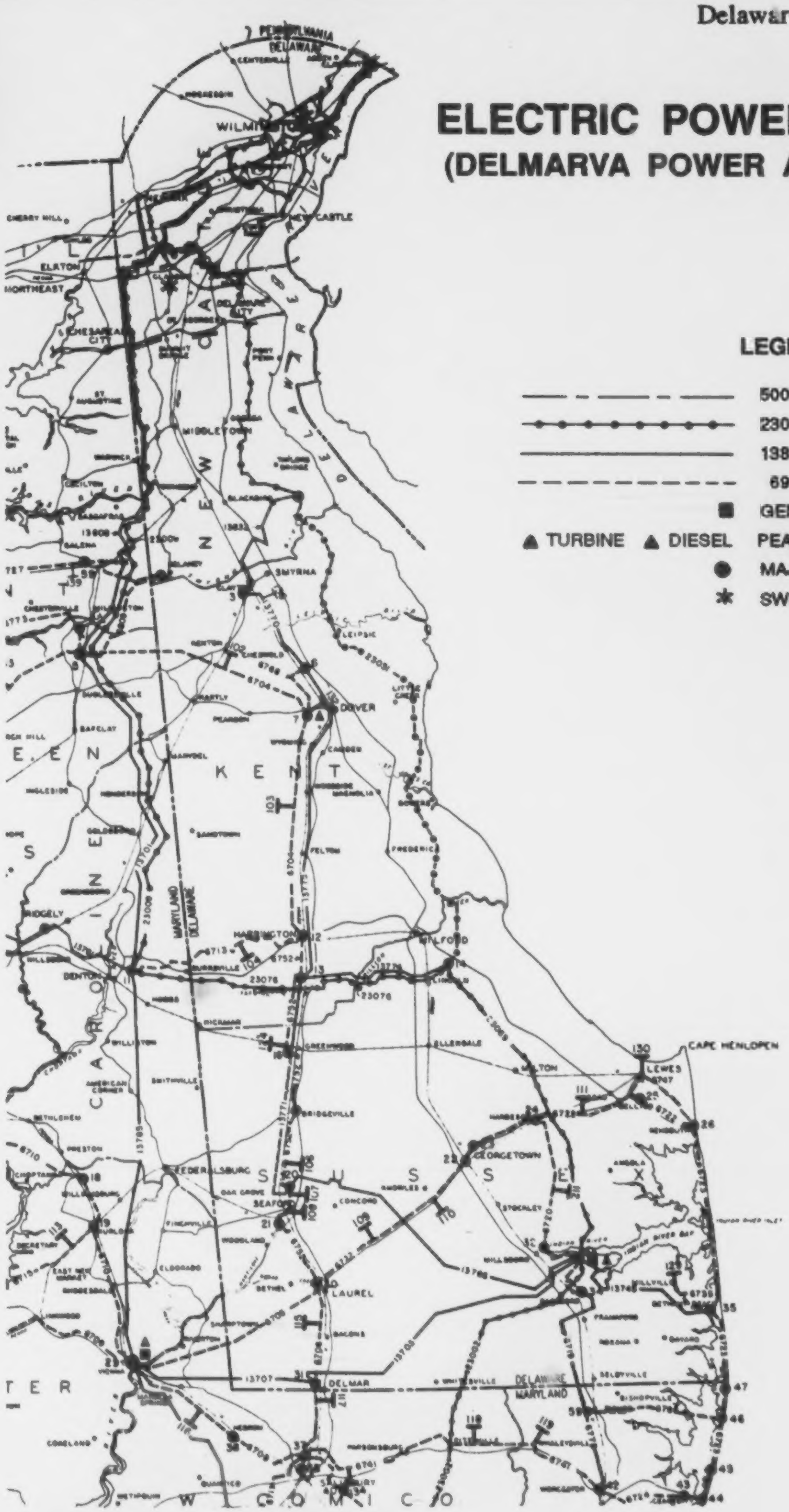
Electric rates in Delaware are near the national average and are expected to remain stable for the next several years. Delmarva Power expects to remain competitive in the future because:

- Delmarva Power has demonstrated the ability to hold down the cost of electricity through its ability to control the cost of generating electricity. As a result of its cost control efforts, Delmarva Power has not only held the line on rates, it reduced rates in 1984, 1985, 1986 and 1988.
- Delmarva Power has a balanced fuel mix, has reduced dependence on foreign oil, enjoys full membership in the regional power pool, and because
- Delmarva Power also implements programs which involve a combination of both supply-side and demand-side options designed to enable the company to be as flexible as possible in responding to increasing energy demands, emerging technologies, fluctuating fuel costs and legislative mandates.

The Company's marketing strategies make Delaware's electric utility rates very competitive with both the region and the nation, while insuring an adequate and continued source of electric power in the future.

The Company has developed strategies to ensure reliable electricity in the future. Challenge 2000 is Delmarva Power's plan to meet the increasing demand for energy at the lowest achievable cost. The plan combines customer programs offered to reduce electric use during peak periods with plans to acquire generating sources that use the most advanced technologies available. These plans are designed to keep rate increases at a minimum during the next fifteen years.

ELECTRIC POWER FACILITIES
(DELMARVA POWER AND LIGHT CO.)



LEGEND

- —·—·— 500 KV TRANSMISSION LINE
- -•-•-•- 230 KV TRANSMISSION LINE
- ——— 138 KV TRANSMISSION LINE
- - - - - 69 KV TRANSMISSION LINE
- ■ GENERATING STATION - STEAM
- ▲ TURBINE ▲ DIESEL PEAKING GENERATING STATION
- ● MAJOR SUBSTATION
- ✱ SWITCHING STATION

Source: Delmarva Power and Light Company

ELECTRIC RATES COMPARED :

Residential Service Rates
JULY 1990
(average monthly bills for customers with electrical hot water heating)

	750 kWh	1,000 kWh
Wilmington, DELAWARE	$ 70.21	$ 92.16
Washington, DC	51.27	73.45
Chicago, Illinois	70.24	95.03
Baltimore, Maryland	65.64	86.34
Boston, Massachusetts	75.83	99.16
Trenton, New Jersey	72.28	98.14
New York, New York	92.76	126.72
Cleveland, Ohio	86.07	112.88
Philadelphia, Pennsylvania	79.38	114.44

Source: Edison Electric Institute, Summer 1990, Typical Residential, Commercial and Industrial Bills - Investor-owned Utilities.

Industrial Service Rates
JULY 1990
(average monthly bills)

	150 KW 60 MWH	1,000 KW 400 MWH	20,000 KW 10,000 MWH
Wilmington, DELAWARE	$3,457	$23,195	$519,165
Washington, DC	4,329	28,759	641,285
Chicago, Illinois	4,066	29,022	538,963
Baltimore, Maryland	4,687	30,653	609,615
Boston, Massachusetts	4,785	31,455	709,409
Trenton, New Jersey	5,355	31,148	658,389
New York, New York	6,394	42,127	993,658
Cleveland, Ohio	6,059	34,705	671,610
Philadelphia, Pennsylvania	5,646	37,434	839,003

Source: Edison Electric Institute, Summer 1990, Typical Residential, Commercial and Industrial Bills - Investor-owned Utilities.

AVAILABLE NATURAL GAS :

The State's natural gas is supplied by two major utility corporations. Delmarva Power and Light Company serves New Castle County north of the Chesapeake and Delaware Canal. Delmarva has continued to expand its high pressure gas service lines and facilities to provide for the increasing number of natural gas customers in Delaware.

Chesapeake Utilities Corporation serves natural gas to the area south of the Chesapeake and Delaware Canal. Eastern Shore Natural Gas Company, a subsidiary of the Chesapeake Utilities Corporation, has a pipeline which extends from Pennsylvania through Delaware to Maryland. The operating divisions of Chesapeake serves natural gas to many of the municipalities south of the Chesapeake and Delaware Canal.

Natural gas rates in Delaware are competitive with a number of other states and regions.

1989 Gas Utility Average Prices ($/MM BTU)

State	Total	Residential	Commercial	Industrial	Other
DELAWARE	$4.83	$6.21	$5.22	$3.61	$2.79
Maryland	5.50	6.25	5.17	4.77	3.13
Pennsylvania	5.47	5.95	5.48	3.77	4.99
New Jersey	5.52	6.38	5.19	3.94	5.00
New York	6.35	6.91	5.91	4.47	5.10
Washington, DC	6.30	7.51	5.52	*	*
U. S. average	4.50	5.45	4.77	3.17	3.10
Massachusetts	5.36	6.98	5.69	3.81	4.53
Illinois	4.40	4.61	4.25	3.54	4.62
Ohio	4.96	5.15	4.79	4.14	4.01

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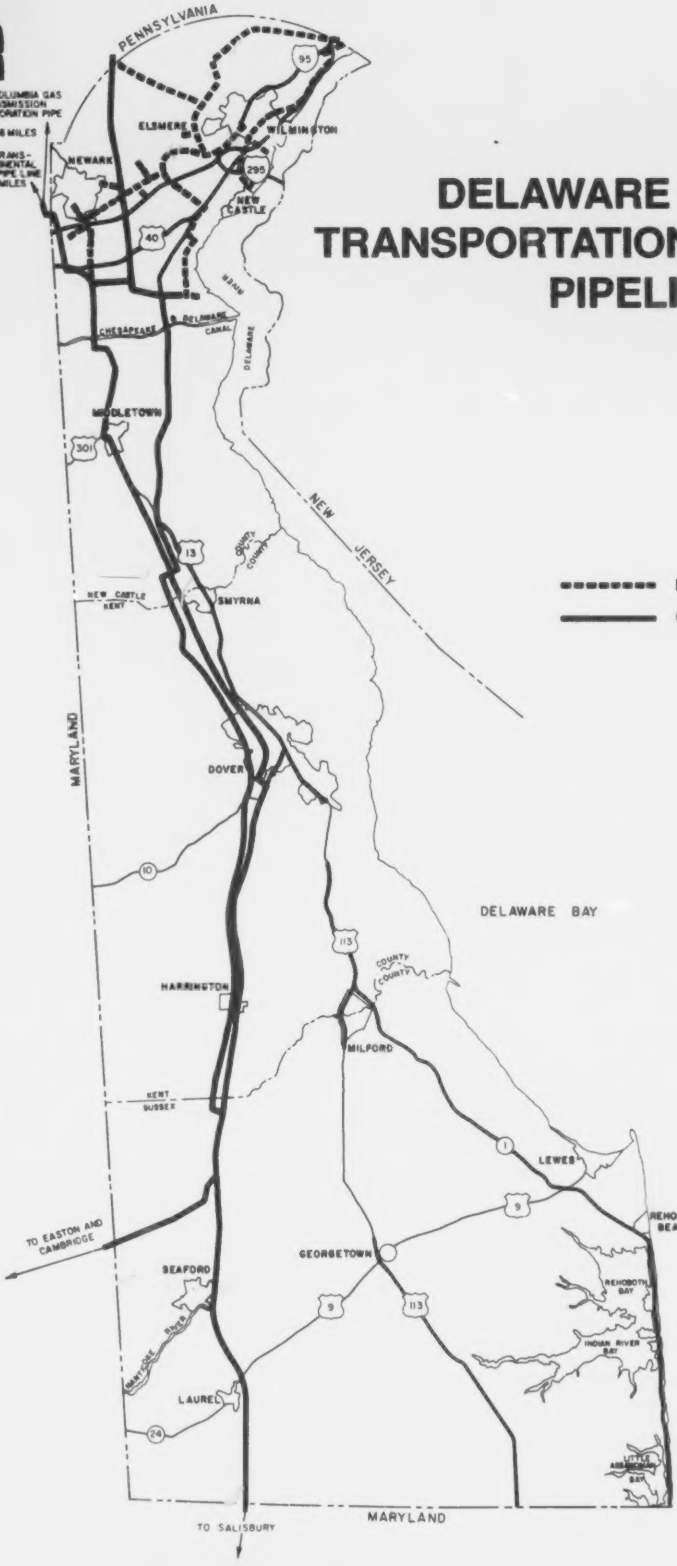
*No sales reported.

Source: American Gas Association, 1990 Gas Facts.

Liquefied Petroleum Gas

Delaware enjoys the benefits of a number of companies which supply a wide variety of LPG appliances, equipment, and gases. Most suppliers offer industrial, wholesale, and retail quantities, as well as bulk storage facilities. Delaware LPG suppliers have an excellent track record for cooperation with industries located in the State. The Delaware Development Office can assist you in locating a supplier near your proposed facilities.

DELAWARE NATURAL GAS TRANSPORTATION AND DISTRIBUTION PIPELINES - 1991



LEGEND

- ▬ ▬ ▬ DELMARVA POWER AND LIGHT COMPANY
- ▬▬▬ CHESAPEAKE UTILITIES CORPORATION

SOURCE: CHESAPEAKE UTILITIES CORPORATION AND DELMARVA POWER AND LIGHT COMPANY.

MODERN COMMUNICATION SYSTEMS :

Telephone Service

Local telephone service in Delaware is provided by the Diamond State Telephone Company. Diamond State is a subsidiary of the Bell Atlantic Corporation, a firm with more than 17 million access lines serving the Mid-Atlantic states.

Long distance calling within Delaware and throughout the Greater Philadelphia area, is available from Diamond State Telephone. In addition, the Company provides equal access to AT&T, MCI, Sprint, Cable and Wireless and other long distance companies for calling outside of the Delaware/Philadelphia area calling region.

Diamond State Telephone is an industry leader in its aggressive investment in state of the art technology - digital switches, high-capacity fiber optic cables, and integrated network management systems. The Company's history of telecommunications landmarks include: first statewide 911 enhanced system; first state with all computer-controlled switching; first statewide equal access.

January 1, 1991, marked the inaguration of Diamond State's Dual Party Relay Service, bringing effective telecommunications to those with hearing and speech disabilities. Delaware is one of the few states with a relay systm that provides not only intrastate service but also handles interstate calling on an ongoing basis.

These investments have resulted in sophisticated cost-effective voice and data services for Delaware customers. Broad-band, high-capacity data transport is available via fiber optics and loop electronics facilities. Since 1987, Diamond State has provided its services through a fiber optic network running the length of the State. In 1989, a second backbone fiber network was installed for diversity, connecting the State's principal cities. Also in 1989, the Company installed a long distance facility hub that completely bypasses the existing network to serve large corporations where telecommunications services are critical to their operations. Diamond State has also built and continues to maintain a number of private fiber optic-based local area networks.

Committing over $300 million over the next five years to network construction, Diamond State will assure that Delaware customers are served with leading edge telecommunications.

Cellular mobile phone service is currently available through a variety of firms. Bell Atlantic Mobile Systems was the first to offer statewide cellular service with a coverage area that includes the entire State of Delaware plus the Greater Philadelphia area. Pager and answering services are available throughout the state.

Mail Service

Mail service in Delaware is provided by 53 post offices, 9 stations, and 2,221 employees located throughout the state.

The focal point for mail distribution, transportation, and management resides at the Wilmington General Mail Facility (GMF) located in the Airport Industrial Park in New Castle. Built in 1977, the facility operates 24-hours a day, 7 days a week.

MODERN COMMUNICATION SYSTEMS : (continued)

Mail Service (continued)

The GMF processes all of Delaware's mail and has access to a sophisticated national distribution network of highway, air, and rail transportation. On average, 2 million pieces of mail are processed daily, with the majority sorted on high-speed automated equipment.

The U.S. Postal Service offers a wide range of products and services, such as Express Mail, Priority Mail, philatelic products, and specialized address improvement support. The Postal Service staff in Wilmington works closely with business customers to ensure optimum service.

Newspapers, Radio, and TV

Two statewide daily newspapers, a statewide magazine, and numerous weekly publications provide newsprint advertising coverage throughout the State. These publications are supplemented by many major newspapers from the metropolitan areas just outside the State's borders.

Eleven AM and eleven FM radio stations provide coverage throughout the State. Two of Delaware's five television stations provide closed-circuit reception. Another Delaware television station is part of the public broadcasting network. This station provides companies and individuals closed circuit text services with agriculture and financial information from the public broadcasting network through its earth satellite station. In addition, all three major networks broadcast into Delaware from surrounding cities and cable television is provided by several cable companies. Over 50% of the State's housing units are located in cable television service areas.

WASTE SYSTEMS :

Solid Waste

The Delaware Solid Waste Authority provides solid waste disposal facilities in New Castle, Kent, and Sussex Counties. No hazardous waste disposal facilities are available in the State; however, there are several firms licensed to remove and transport hazardous waste from your site. The Delaware Development Office can work with you in solving your hazardous waste disposal needs.

The Delaware Solid Waste Authority operates a drop-off recycling program. At the end of 1990 there were 19 drop-off centers in operation; by the end of 1991 at least 50 drop-off centers will be located throughout the state. The centers accept glass, plastics, aluminum and tin cans, newspapers, batteries, and motor oil.

The Department of Natural Resources and Environmental Control offers a waste minimization/technical assistance program for businesses. Delaware is also a sponsor of the Northeast Industrial Waste Exchange.

WASTE SYSTEMS : (continued)

The Delaware Solid Waste Authority has also constructed a solid waste and sewage sludge processing facility for New Castle County. It is operated by a private firm under contract to extract and market recoverable materials.

The services of numerous solid waste collectors are available to remove solid waste from your site. The cost of these services varies, depending on the location of the plant and disposal facility, the volume of waste, and the frequency of the service. The Delaware Development Office staff can assist you in locating a waste removal company.

Sewer Systems

Sewer service is generally available in the incorporated areas of the State, in the more populous rural areas, and in several existing plant sites and industrial parks. On-site wastewater disposal facilities are required in areas not served by public sewers. Sewage disposal is regulated by the Division of Water Resources (DNREC). The Delaware Development Office will assist you in dealing with these agencies.

ABUNDANT WATER RESOURCES :

The State has adequate surface and groundwaters to meet the projected demand for fresh water. The northern portion of the State uses a combination of ground and surface water to satisfy demands; whereas, south of the Chesapeake and Delaware Canal groundwater is used exclusively.

Northern Delaware obtains about two-thirds of its potable water supply from four streams and utilizes a large reservoir, Hoopes, for surface water storage. This part of the State, with its denser population, is largely serviced by private and public distribution systems. All of these systems are interconnected at strategic locations to enable the utilities to assist each other if necessary, thereby increasing the reliability of the water supply. A computer model of this interconnected system is used to simulate flow and pressure changes in the systems. A comprehensive, long-range water plan has also been adopted to guide management of the water resources and to insure adequate water supplies for future growth and development.

South of the C & D Canal, a number of streams and ponds are used for manufacturing or irrigation. Delaware is fortunate to have several aquifers capable of producing sufficient water to meet demands in this predominately rural portion of the state. Water supply is provided by either individual wells, municipal systems, or private utilities.

The Delaware River is brackish and is used as a source for processing and cooling water. The drainage basin of the Delaware River and Bay in the State is subject to the authority and regulations of the Delaware River Basin Commission and the Delaware Department of Natural Resources and Environmental Control. All ground and surface water withdrawals are regulated by the State Department of Natural Resources and Environmental Control. The State Public Service Commission regulates private utility water rates. The Delaware Development Office will assist you in your dealings with all federal, state, and local regulatory agencies in an effort to meet your proposed water needs.

SECTION VIII

SITE SELECTION

The site selection process is simplified by the Delaware Development Office's knowledge of available sites and buildings, by its ability to facilitate environmental and land use permitting, and by its assistance in obtaining necessary local permits.

Section Title	Page
Site Inventory and Tours	VIII-2
Industrial, Office and Research Parks	VIII-3
Development Office Facilitates Permitting	VIII-8
State Environmental Permits	VIII-8
State Land Use Permits	VIII-8
Local Permits	VIII-11
Municipal Permits	VIII-13

SITE INVENTORY AND TOURS :

The Delaware Development Office offers a full line of services designed to assist in selecting a site and building in Delaware best suited to fit your needs. The Office is staffed by experienced professionals who can provide the most current and accurate information in the following categories:

I. Site Inventory

The Office maintains a computerized Statewide inventory of sites which can be developed for industrial, commercial, or office activity. Readily available for your review, this inventory is constantly updated and includes information on an extensive list of sites which are properly zoned for industrial, commercial, or office activity.

The Office's inventory includes current data on sites and industrial parks, including location, parcel size, site characteristics, soil conditions; estimated prices, zoning, utility services; transportation networks; special engineering considerations; and corporate neighbors. In addition, aerial photographs, plot plans, and topographical maps are available for many sites. For a listing of sites within the State, which meet your specifications, please contact the Delaware Development Office.

II. Buildings Inventory

The Office also maintains a current inventory of industrial, commercial, and office buildings available throughout Delaware. The Office can help you determine which buildings in the State are designed to fit your needs. The computerized building inventory includes information on location, size, type of construction, age of facility, price, support services, utilities, internal building systems, and availability for lease or purchase. Floor plans, site development plans, brochures, photographs, and engineering drawings are available for many facilities. Proposed projects are also included in the inventory, and the Office maintains regular contact with local investors, developers, and contractors.

III. Site and Building Tours

The Delaware Development Office is prepared to conduct confidential site and building tours for you at your convenience. Because the staff maintains an excellent relationship with all listing agents, it is possible to conduct preliminary tours of facilities without a realtor present. The Office must, however, respect the terms of any listing agreement and, at the appropriate time, put you in contact with the listed agent.

SITE INVENTORY AND TOURS (continued) :

IV. Business Climate Data

The Office maintains current files on Delaware's business climate and can arrange confidential meetings with existing Delaware business executives so that you may discuss your proposals with those who know the State's business climate best. The Office expects and encourages these candid sessions and will attend these meetings only at your invitation.

In addition, the Office can provide you with a full list of support businesses located close to your proposed location so that you may determine the availability of the critical supplies and services necessary for your business operation.

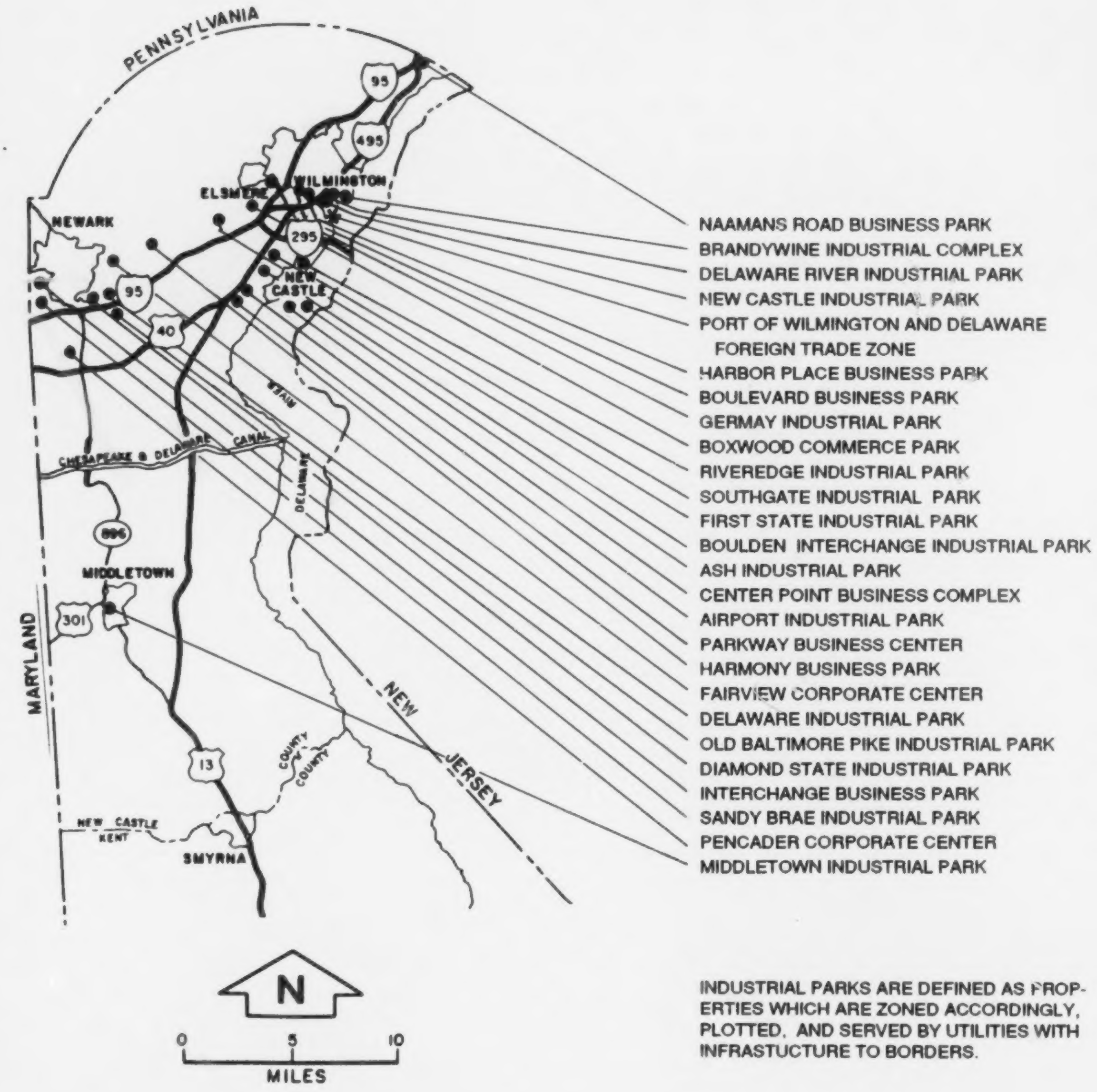
V. Confidentiality

The Delaware Development Office adheres to the highest professional standards of conduct in each of its development projects. Accordingly, you may be certain that any information which you share with any of the Office staff will remain completely confidential. At no time will the Development Office divulge any data about your company or its plans without your prior approval.

INDUSTRIAL, OFFICE AND RESEARCH PARKS :

Industrial, Office, and Research Parks are available throughout the State as indicated by sample listings illustrated on pages VIII-4 through VIII-7. Detailed descriptions of these and other business sites and buildings in Delaware can be obtained by contacting the Delaware Development Office.

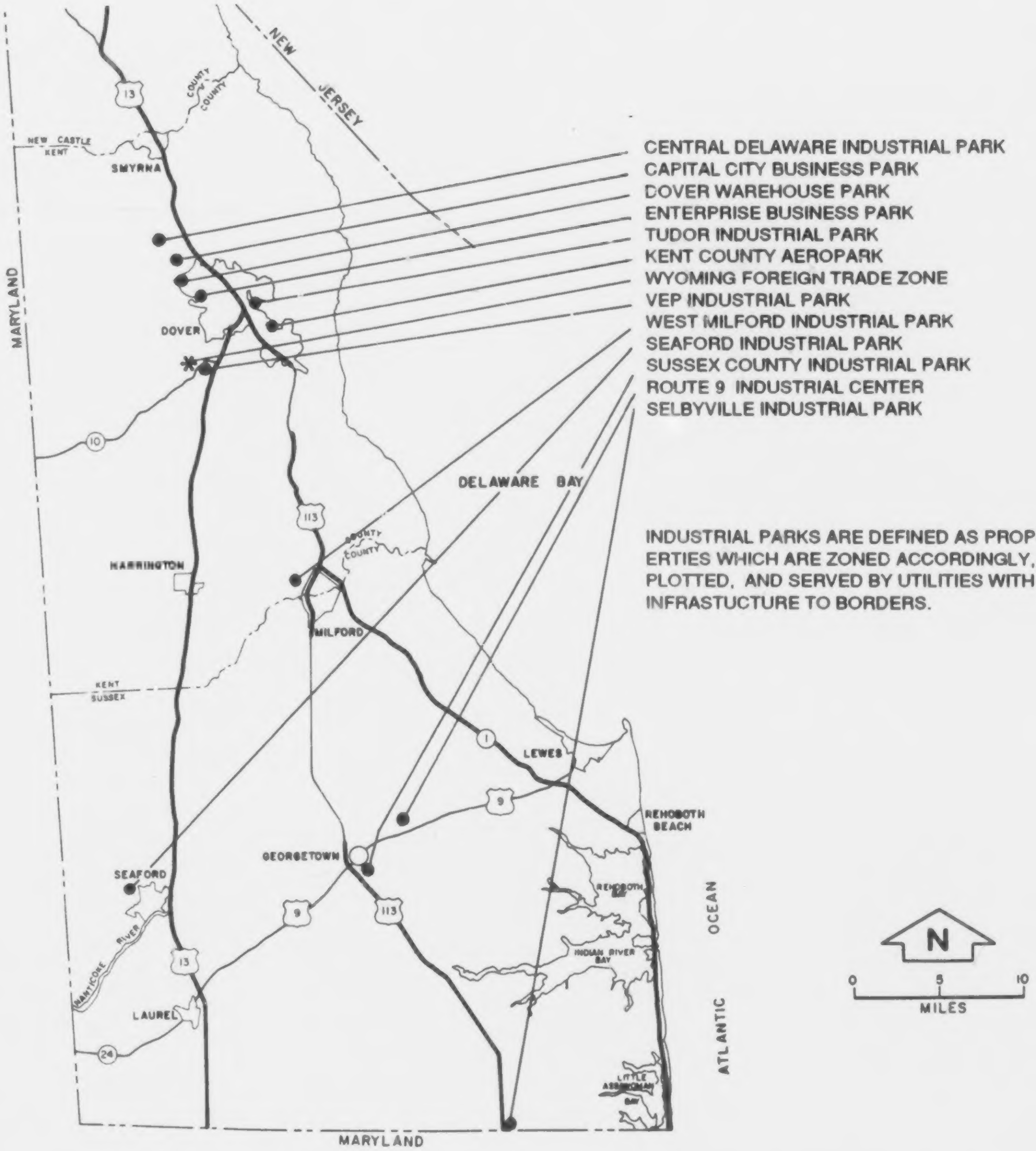
INDUSTRIAL PARKS
NEW CASTLE COUNTY
1991


PENNSYLVANIA
95
495
WILMINGTON
ELSMERE
NEWARK
295
NEW CASTLE
95
40
RIVER
CHESAPEAKE & DELAWARE CANAL
DELAWARE
896
MIDDLETOWN
301
MARYLAND
NEW JERSEY
13
COUNTY
COUNTY
NEW CASTLE
KENT
SMYRNA
NAAMANS ROAD BUSINESS PARK
BRANDYWINE INDUSTRIAL COMPLEX
DELAWARE RIVER INDUSTRIAL PARK
NEW CASTLE INDUSTRIAL PARK
PORT OF WILMINGTON AND DELAWARE FOREIGN TRADE ZONE
HARBOR PLACE BUSINESS PARK
BOULEVARD BUSINESS PARK
GERMAY INDUSTRIAL PARK
BOXWOOD COMMERCE PARK
RIVEREDGE INDUSTRIAL PARK
SOUTHGATE INDUSTRIAL PARK
FIRST STATE INDUSTRIAL PARK
BOULDEN INTERCHANGE INDUSTRIAL PARK
ASH INDUSTRIAL PARK
CENTER POINT BUSINESS COMPLEX
AIRPORT INDUSTRIAL PARK
PARKWAY BUSINESS CENTER
HARMONY BUSINESS PARK
FAIRVIEW CORPORATE CENTER
DELAWARE INDUSTRIAL PARK
OLD BALTIMORE PIKE INDUSTRIAL PARK
DIAMOND STATE INDUSTRIAL PARK
INTERCHANGE BUSINESS PARK
SANDY BRAE INDUSTRIAL PARK
PENCADER CORPORATE CENTER
MIDDLETOWN INDUSTRIAL PARK
N
0
5
10
MILES

INDUSTRIAL PARKS ARE DEFINED AS PROPERTIES WHICH ARE ZONED ACCORDINGLY, PLOTTED, AND SERVED BY UTILITIES WITH INFRASTUCTURE TO BORDERS.

Source: Delaware Development Office

INDUSTRIAL PARKS
KENT AND SUSSEX COUNTY
1991



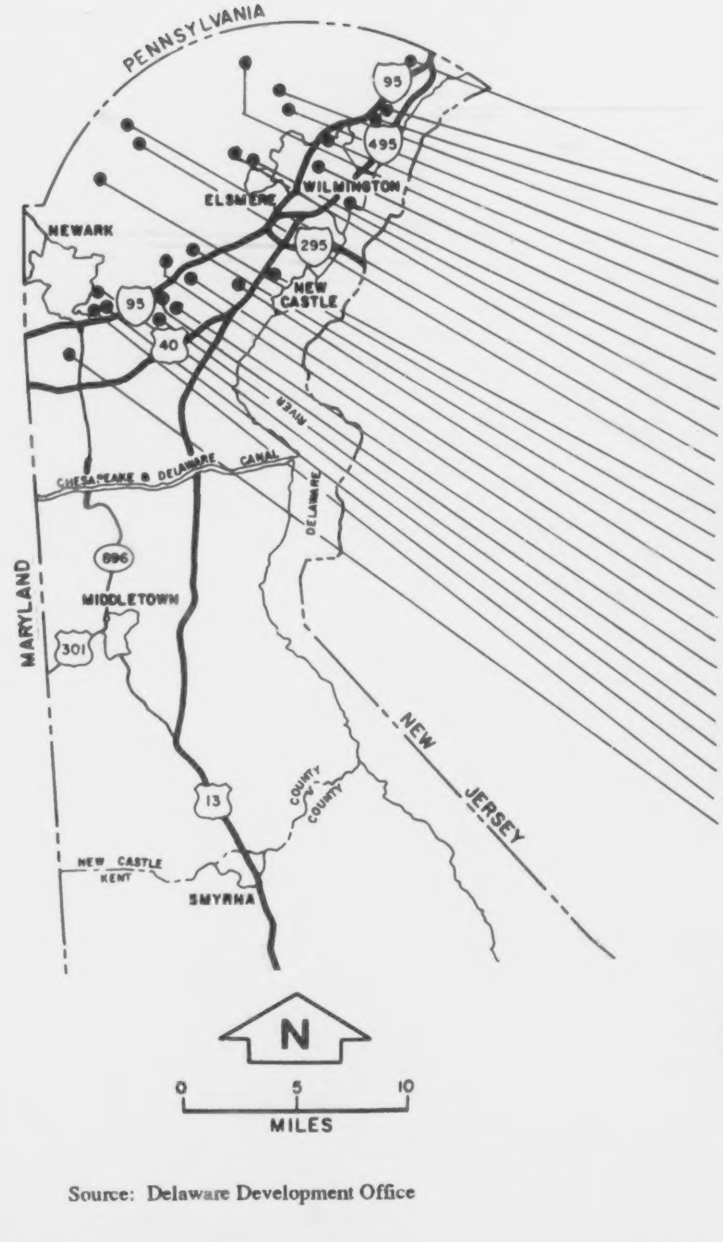
INDUSTRIAL PARKS ARE DEFINED AS PROPERTIES WHICH ARE ZONED ACCORDINGLY, PLOTTED, AND SERVED BY UTILITIES WITH INFRASTUCTURE TO BORDERS.

Source: Delaware Development Office

OFFICE AND RESEARCH PARKS

NEW CASTLE COUNTY

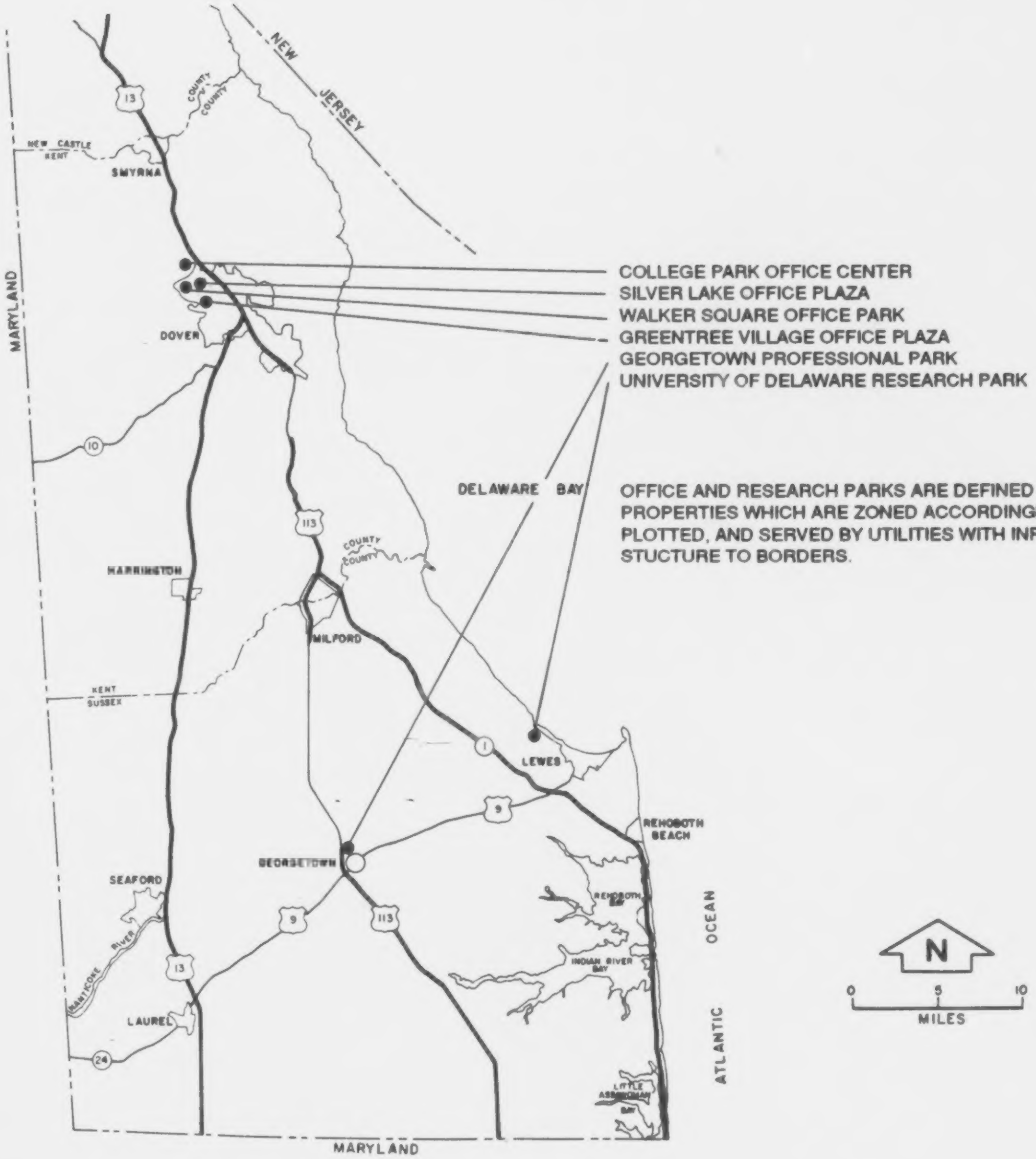
1991



OFFICE AND RESEARCH PARKS ARE DEFINED AS PROPERTIES WHICH ARE ZONED ACCORDINGLY, PLOTTED, AND SERVED BY UTILITIES WITH INFRASTRUCTURE TO BORDERS.

Source: Delaware Development Office

OFFICE AND RESEARCH PARKS
KENT AND SUSSEX COUNTY
1991



OFFICE AND RESEARCH PARKS ARE DEFINED AS PROPERTIES WHICH ARE ZONED ACCORDINGLY, PLOTTED, AND SERVED BY UTILITIES WITH INFRASTUCTURE TO BORDERS.

Source: Delaware Development Office

DEVELOPMENT OFFICE FACILITATES PERMITTING :

Planning, zoning, and site selection decisions are expedited in Delaware as a result of a comparatively simple organization of both State and county governments. The Department of Natural Resources and Environmental Control administers all major environmental permits for the State. Each of Delaware's three counties maintains a central office for administering planning and zoning regulations. In addition, the Office will provide trained professionals to guide a company through the State and local permit and zoning processes.

This section briefly outlines State environmental permits and county zoning processes.

STATE ENVIRONMENTAL PERMITS :

Responsibility for most major environmental permits, including air emissions, noise, ground and surface water withdrawals, water pollution, and solid and hazardous wastes, are all administered by a single State agency, the Department of Natural Resources and Environmental Control.

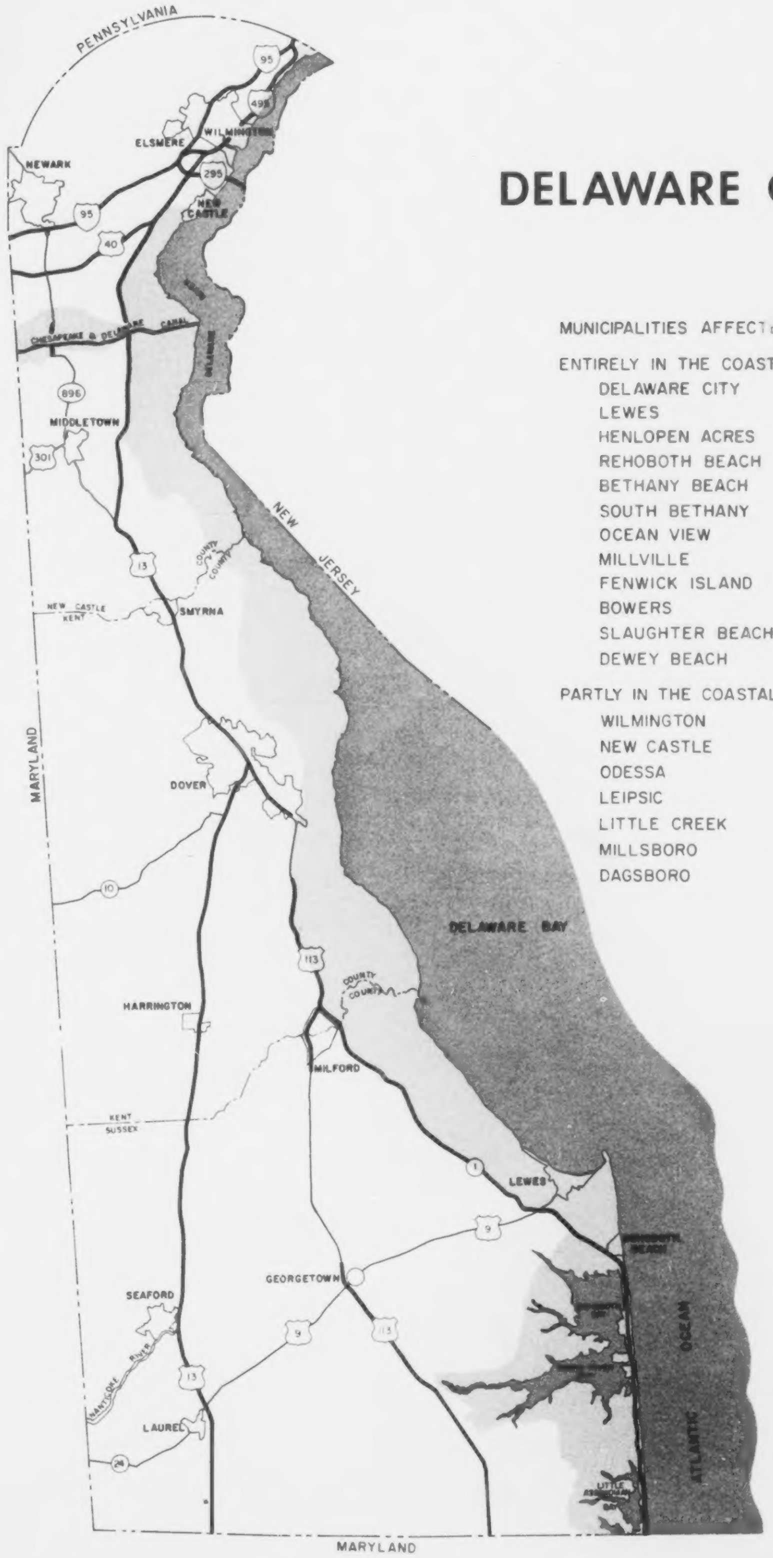
A Development Advisory Service established by Delaware's Department of Natural Resources and Environmental Control works with firms requiring multiple State or federal permits. The service informs applicants of permit requirements, schedules and standards, and arranges meetings which allow applicants to discuss their project with all relevant State officials at one time. The Development Advisory Service may be contacted at (302) 739-6399.

STATE LAND USE PERMITS :

In addition to the State environmental permits, the Department of Natural Resources and Environmental Control administers the following statutes governing land use in Delaware:

1. **The Coastal Zone Act** controls the location, extent, and type of industrial development in the State's coastal zone, including lands contiguous to the Delaware River and Bay, Atlantic Ocean, and the Chesapeake and Delaware Canal. The construction of new heavy industries in the coastal zone, including oil refineries, steel manufacturing plants, cellulose pulp paper mills, and petro-chemical plants, is prohibited. New bulk product transfer facilities for the movement of materials from vessel to shore or vessel to vessel are also prohibited. Pier facilities for a single permitted industrial facility and the Port of Wilmington are exempt from this prohibition.

DELAWARE COASTAL ZONE



MUNICIPALITIES AFFECTED BY THE COASTAL ZONE ACT

ENTIRELY IN THE COASTAL ZONE
- DELAWARE CITY
- LEWES
- HENLOPEN ACRES
- REHOBOTH BEACH
- BETHANY BEACH
- SOUTH BETHANY
- OCEAN VIEW
- MILLVILLE
- FENWICK ISLAND
- BOWERS
- SLAUGHTER BEACH
- DEWEY BEACH

PARTLY IN THE COASTAL ZONE
- WILMINGTON
- NEW CASTLE
- ODESSA
- LEIPSIC
- LITTLE CREEK
- MILLSBORO
- DAGSBORO

LEGEND

LAND
WATER
AREAS COVERED BY THE COASTAL ZONE ACT

N

0 5 10
MILES

SOURCE: DEPARTMENT OF NATURAL RESOURCES AND ENVIRONMENTAL CONTROL.

STATE LAND USE PERMITS (continued) :

New manufacturing uses begun after June 1971 and expansions or extensions of nonconforming manufacturing uses in existence on or before June 1971 are allowed by permit issued by the Secretary of the Department of Natural Resources and Environmental Control. Permitted uses must conform to the applicable local zoning ordinance.

New nonmanufacturing business uses, such as commercial, residential, warehouse, and distribution facilities are not covered by the Act. The Office will be pleased to work with you to provide early guidance on this program.

Examples of Coastal Zone Permits Granted :

- Construction of an 82,000 square-foot manufacturing plant producing rolled processed and nonprocessed metal products at the New Castle Industrial Park.
- A scrap metal recycling operation at the Wilmington Marine Terminal.
- The production of electrical power by a public utility in the Wilmington area.
- A plant in Claymont to process industrial quantities of carbon dioxide.
- A manufacturer of animal vaccines near Millsboro.

2. **The Subaqueous Lands Act and the Wetlands Act** protect all designated tidal wetlands and all public and private submerged lands. Approval is necessary for any structure, construction, utility crossings, dredging, filling, or excavating in any regulated wetland or subaqueous land.

3. **The Beach Protection Act** requires written approval for any structure, construction or substantial change in the characteristics of any beach, defined as that area along the Atlantic Ocean and Delaware Bay which extends from the mean high waterline inland 1,000 feet and seaward 2,500 feet.

4. **The Delaware Underground Storage Tank Act** regulates the location and operation of underground storage tanks containing motor fuels and liquid chemical products, and requires certification that tanks are installed in accordance with the regulations.

5. The Delaware Stormwater Management Act provides for control practices to protect water quality.

LOCAL PERMITS :

Local zoning approval is required prior to submission of State permit applications. However, it is advisable to discuss the project with:

- The appropriate local planning department or commission
- The State Department of Transportation, Division of Highways
- The Office of the Fire Marshal

Local permits are granted by the individual counties and municipalities. This makes it imperative that applicants refer to the regulations established by the governing body in the area where a project will be undertaken. Each county administers its own flood plain regulations.

New Castle County

The New Castle County Department of Planning administers zoning and subdivision regulations for the County. There are two types of review procedures for commercial or industrial development:

A minor review is required for:
- Commercial development for buildings with floor areas of 1,000 to 3,500 square feet.
- Industrial development for buildings with floor areas exceeding 5,000 square feet, which will not require construction of a new public or private road.

A major review is required for:
- Commercial development for buildings with floor areas of more than 3,500 square feet.
- Any development involving the establishment of a new public or private road.

The New Castle County Department of Public Works issues permits for all building activity in the unincorporated areas. A typical new construction project requires a lines and grades plan, a drainage plan, sedimentation and erosion control plans, a sewage disposal plan, and building, mechanical, and plumbing permits.

New Castle County operates under the BOCA building, mechanical, and plumbing codes with local amendments. For additional information contact:

The New Castle County Department of Public Works
Division of Development and Licensing
2701 Capitol Trail
Newark, Delaware 19711
Phone: (302) 366-7760

LOCAL PERMITS (continued) :

Kent County

The Kent County Department of Planning reviews all applications for rezoning and residential subdivisions and requires site plans for all commercial and industrial buildings containing 5,000 or more square feet of floor area (as well as any addition, expansion or alteration which causes the total floor area to exceed 5,000 square feet). The Department of Inspections and Enforcement enforces the Kent County Housing Code and the BOCA Building Code. Certificates of Occupancy are issued upon satisfactory completion of construction or changes in use. For additional information contact:

The Kent County Department of Planning
414 Federal Street
Dover, Delaware 19901
Phone: (302) 736-2020

The Kent County Department of Inspections and Enforcement
414 Federal Street
Dover, Delaware 19901
Phone: (302) 736-2010

Sussex County

The Sussex County Planning and Zoning Commission requires a site plan review for all multi-family residential, commercial, and industrial development in the unincorporated areas of Sussex County. A minor review is undertaken by the Planning and Zoning Office and may be completed in one day. The major reviews are made by the Planning and Zoning Office and the County Planning Commission. These reviews usually require more time. The Sussex County Assessment Department issues building permits. The County has adopted the Southern Building Code Congress International (SBCCI) for multi-family structures of more than two units. When necessary, permits for bulkheading must be obtained from the Army Corps of Engineers and the Delaware Department of Natural Resources and Environmental Control. For additional information, contact:

The Sussex County Planning and Zoning Office
County Courthouse
Georgetown, Delaware 19947
Phone: (302) 855-7880

MUNICIPAL PERMITS :

Individual municipalities within Delaware may enact planning and zoning requirements; within these municipalities, the parent county zoning requirements are not applicable. Information on these municipal requirements may be obtained through the assistance of the Delaware Development Office or the appropriate local planning department or commission.

The planning and zoning requirements of Wilmington, Delaware's largest city, are summarized below:

- The Wilmington Department of Licenses and Inspection issues permits for all building features. The City has adopted the 1987 BOCA building, mechanical and plumbing code.
- Zoning variance applications are handled through the Department of Licenses and Inspection.
- Special review procedures for development in Waterfront Zoning Districts and City Historic Districts are required by the Department of Licenses and Inspection.
- Applications for rezonings and subdivisions are required by the Office of Planning. Subdivisions are classified as major or minor. Major subdivision review and approval is required if the proposed subdivision is located in a floodplain; is entirely bounded by streets or right-of-ways; is larger than 2.5 acres; involves the dedication of land for public purposes; or is a condominium declaration. Minor subdivisions constitute any division of a parcel of land which does not meet the criteria of a major subdivision. Minor subdivisions are administratively reviewed and endorsed by the Office of Planning.

For additional information contact:

The Wilmington Office of Planning
800 French Street
Wilmington, Delaware 19801
Phone: (302) 571-4130

or

The Department of Licenses and Inspections
800 French Street
Wilmington, Delaware 19801
Phone: (302) 571-4354

SECTION IX
CONSTRUCTION COSTS

Construction costs in Delaware are competitive. Land prices are moderate and remain well below prices in neighboring states. Operating costs are also below the national average. These factors translate into very attractive rental rates and building expenses for businesses in the State.

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Delaware's Building Costs are Among the Lowest in the Region	IX-2
Favorable Locational Factors Awarded by Appraisers	IX-2
Inexpensive Industrial Sites and Buildings	IX-3
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Below-Average Office Rental Rates and an Adequate Supply	IX-7
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DELAWARE'S BUILDING COSTS ARE AMONG THE LOWEST IN THE REGION :

Several factors help keep construction costs low in Delaware. These include:

- Land costs that are lower than other regional states.
- Construction materials that are abundant locally.
- Construction wages that are competitive.
- Building operating costs which are low.

FAVORABLE LOCATIONAL FACTORS AWARDED BY APPRAISERS :

The most widely used appraisal manual places Delaware's costs of construction at the national average. The manual details factors which are used to compare the costs of standard buildings in various locations. Examples for 1991 include:

	Residential	Commercial
Wilmington and Dover, DELAWARE	1.00	1.01
Washington, DC	.94	.96
Chicago, Illinois	1.05	1.04
Baltimore, Maryland	.96	.97
Boston, Massachusetts	1.16	1.17
Trenton, New Jersey	1.07	1.05
New York, New York	1.27	1.27
Cleveland, Ohio	1.14	1.07
Philadelphia, Pennsylvania	1.11	1.09
U. S. average	1.00	1.00

Source: Means Square Foot Costs, 1991, Senior Editors John H. Chiang and Patricia L. Jackson, Copyright 1990, reprinted by permission of R. S. Means Company, Inc.

INEXPENSIVE INDUSTRIAL SITES AND BUILDINGS :

Delaware land costs for suburban industrial development are significantly lower than those in most other areas.

Sales Prices of Prime Industrial Sites
(Per Square Foot)

	Improved				Unimproved			
	2 - 5 Acres		10 or More Acres		Less Than 10 Acres		10 - 99 Acres	
	1984	1990	1984	1990	1984	1990	1984	1990
Wilmington, DELAWARE	$ .87	$2.13	$0.50	1.70	$0.35	$1.38	$0.25	$1.13
Chicago, Illinois	1.79	3.25	1.21	2.68	0.62	1.65	.47	1.50
Washington, DC	5.00	6.00	3.00	5.00	3.00	4.50	1.50	3.50
Baltimore, Maryland	1.90	5.75	1.90	4.50	0.75	2.00	0.45	2.00
Boston, Massachusetts	2.75	8.00	1.88	3.00	1.90	NA	1.78	2.00
Southern New Jersey	NA	1.72	NA	1.38	NA	1.15	NA	1.10
New York, New York	NA	7.00	NA	6.00	NA	NA	NA	NA
Cleveland, Ohio	1.30	1.75	1.20	1.38	0.29	0.40	0.18	0.30
Philadelphia, PA	1.50	1.75	1.00	1.75	0.96	0.90	.75	0.70

Source: Society of Industrial and Office REALTORS®, Industrial Real Estate Market Survey, Washington, DC, Fall 1984, and 1990 Guide to Industrial and Office Real Estate Markets, ranges averaged.

INEXPENSIVE INDUSTRIAL SITES AND BUILDINGS (continued):

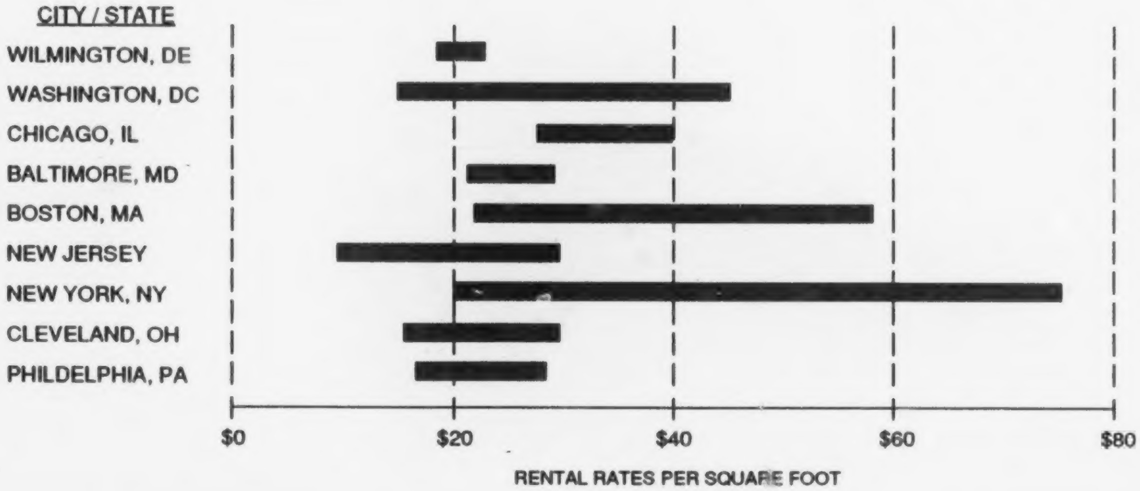
In addition, sales prices of industrial buildings are competitive with the region. The following table describes these comparisons:

Sales Cost of Prime Industrial Suburban Buildings
(Per Square Foot)

	Prime High Technology	More Than 100,000 Square Feet	40,000-59,999 Square Feet	5,000-19,999 Square Feet
	1990	1990	1990	1990
Wilmington, DELAWARE	$65.00	$35.00	$40.00	$55.00
Washington, DC	82.50	40.00	45.00	75.00
Chicago, Illinois	NA	29.00	35.00	45.00
Baltimore, Maryland	75.00	35.00	42.50	55.00
Boston, Massachusetts	90.00	49.00	57.50	72.50
Southern, New Jersey	NA	NA	NA	NA
New York, New York (Nassau)	100.00	47.50	55.00	77.50
Cleveland, Ohio	62.00	19.00	26.00	32.00
Philadelphia, PA	80.00	39.00	42.50	50.00

Source: Society of Industrial and Office REALTORS®, Industrial Real Estate Market Survey, Washington, DC, 1990 Guide to Industrial and Office Real Estate Markets, ranges averaged.

1990 OFFICE RENTAL RATES, CLASS A
IN CENTRAL BUSINESS DISTRICT



COMPETITIVE OPERATING COSTS FOR BUILDINGS :

Operating costs for private sector office buildings in downtown areas vary widely. Wilmington's operating costs are competitive, as illustrated below.

1989 Operating Costs for Downtown Buildings
(Median $ Per Square Foot)

	Cleaning	Repair and Maintenance	Utilities	Roads, Grounds and Security	Administration	Total Fixed Expense	Total Payroll	Total Contract
Wilmington, DELAWARE	0.67	0.99	1.60	0.49	1.18	1.34	0.94	0.88
Baltimore, Maryland	0.95	1.30	2.03	0.52	0.68	2.47	1.12	0.89
New York, New York	2.33	2.03	2.78	0.48	0.87	7.82	1.14	2.15
Philadelphia, Pennsylvania	1.37	1.02	2.25	0.35	0.53	2.71	0.89	1.46
Washington, DC	1.11	1.39	1.58	NA	1.01	NA	NA	NA
Boston, Massachusetts	1.26	1.17	1.67	0.39	0.98	3.78	0.89	1.29
Chicago, Illinois	1.43	1.55	1.52	0.35	1.05	4.69	1.20	1.27
Cleveland, Ohio	1.03	1.21	2.15	0.40	0.64	1.42	0.87	1.02
Trenton, New Jersey*	0.82	0.68	1.00	0.38	0.51	1.82	0.54	1.02
U. S. average	0.90	1.08	1.63	0.34	0.78	1.78	0.76	0.91

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*Suburban, downtown data not available.

Source: Reprinted from the 1990 BOMA Experience Exchange Report. Copyright 1990 by Building Owners and Managers Association International, Suite 200, 1250 Eye Street, N.W., Washington, DC 20005.

BUILDING COSTS TO REMAIN COMPETITIVE :

Growth in the cost of construction is expected to moderate considerably in Delaware during 1991, while costs are expected to continue to rise in the region.

Local Construction Cost Index

	1990	1991 Estimates
Wilmington, DELAWARE	216.9	200.1
Washington, DC	205.6	210.5
Chicago, Illinois	221.6	226.9
Baltimore, Maryland	204.3	211.2
Boston, Massachusetts	248.8	254.7
Trenton, New Jersey	226.1	231.5
New York, New York	269.7	277.5
Cleveland, Ohio	228.1	233.5
Philadelphia, Pennsylvania	230.5	239.2
U.S. average	213.4	218.5

Source: Means Square Foot Costs, 1991, Senior Editors John H. Chiang and Patricia L. Jackson, Copyright 1990, reprinted by permission of R. S. Means Company, Inc.

BELOW-AVERAGE OFFICE RENTAL RATES AND AN ADEQUATE SUPPLY :

At the end of 1990, over 948,000 square feet of urban and 890,000 square feet of suburban office space was available in New Castle County. Of these totals, 191,000 square feet was in buildings under construction. Rental rates on Class A office space are very low compared with neighboring cities. Rental rates in urban Wilmington are 19% less than rates for similar space in Baltimore and 24% less than Philadelphia, 11% below the national market (central business districts) average of $22.52 per square foot, and less than half the rate for similar space in New York.

Rental Rates on Class A Office Space

	Dec. 1990	Dec. 1989	Dec. 1988	Dec. 1987	Dec. 1986	Dec. 1985
Wilmington, DE						
Urban	$20.15	$19.51	$19.30	$17.75	$17.50	$ 17.44
Suburban	17.76	17.16	16.80	16.10	14.95	14.88
Washington, DC	30.00	28.00	28.00	32.00	32.00	26.64
Chicago, Illinois	35.00	34.82	29.81	29.55	24.18	20.25
Baltimore, Maryland	24.00	27.00	22.00	23.00	21.00	21.00
Boston, Massachusetts	33.00	50.00	34.00	35.00	31.00	30.80
New York, New York	41.85	45.00	41.26	42.00	41.30	39.49
Cleveland, Ohio	21.00	21.00	21.00	20.00	18.00	18.00
Philadelphia, PA	25.00	25.25	23.00	24.00	23.00	21.50

Source: Jackson Cross, The Office Network, Houston, Texas, various issues and unpublished data. Rates are for urban locations unless otherwise indicated.

SIX REPRESENTATIVE BUILDINGS :

STONE MILL OFFICE PARK
BUILDING 1
Yorklyn Road
January 1991
New Castle County

Cost Components	Total Cost	Cost/ Square Foot
Building	$1,688,500	$74.50 *
Site Work	205,000	9.05
Landscaping	18,000	.80
Total	$1,911,500	$84.35

Area

This is the first of 4 buildings that will total 84,000 sq. ft. This building is 22,665 sq. ft. Each of the 3 floors covers approximately 7,555 sq. ft.

Construction

Complete structural steel framework, full brick exterior, insulated glass, fully sprinklered, elevator served, and high efficiency gas furnace.

Specific Features

- Constructed like 2 old mills with modern glass atrium, • situated on spring fed, 3-acre pond, • 300 parking places available.

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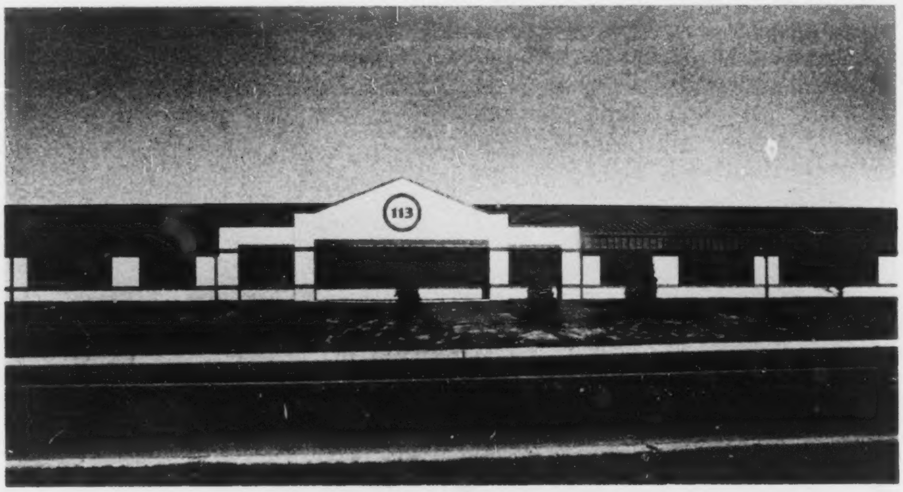
*Includes an estimated $15/sq. ft. as tenant fitout allowance.

SIX REPRESENTATIVE BUILDINGS (CONTINUED) :



COURTYARDS III AND IV
PENCADER CORPORATE CENTER
Newark, Delaware
November 1990
New Castle County

Cost Components	Total Cost	Cost/ Square Foot
Building	$3,250,000	$61.89
Site Work	325,000	6.19
Landscaping	75,000	1.42
Total	$3,650,000	$69.50

Area

52,500 sq. ft., two (2) 1-story office buildings.

Construction

Steel frame, brick and glass exterior with architectural metal roof.

Specific Features

The single story buildings are crowned with green metal parapets which appear to form the A-frame metal roofs, that hide the building mechanicals. Deep sheltering overhangs are set off by an ivory stucco fascia. The major entrances are marked by brick and stucco gabled "porches." Large windows between deep brick piers provide views to the courtyard and to the surrounding business park.

SIX REPRESENTATIVE BUILDINGS (CONTINUED) :

RIVEREDGE PARK
109 Lukens Drive
March 1990
New Castle County

Cost Components	Total Cost	Cost/ Square Foot
Building	$1,120,000	$25.17
Site Work	359,000	8.07
Landscaping	35,000	.79
Total	$1,514,000	$34.02

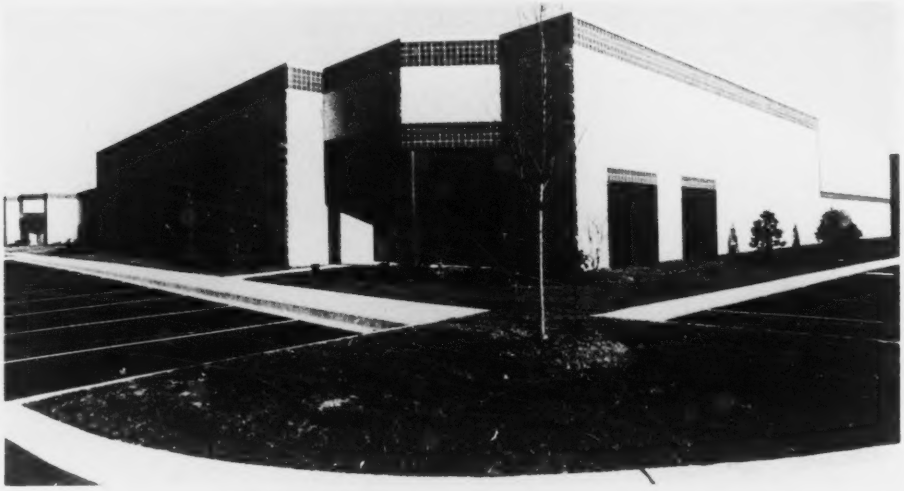
Area
44,500 sq. ft. in a 1-story "flex" building.

Construction
Pre-engineered steel frame with all brick and glass exterior. Standing seam metal roof.

Specific Features
24' clear height, ample windows, office building appearance, fully sprinklered, drive-in and tailgate truck loading.

Building has been leased in its entirety to TA Instruments, Inc., the former Thermal Analysis division of Du Pont.

SIX REPRESENTATIVE BUILDINGS (CONTINUED) :



INTERCHANGE 700
Interchange Business Park
September 1990
New Castle County

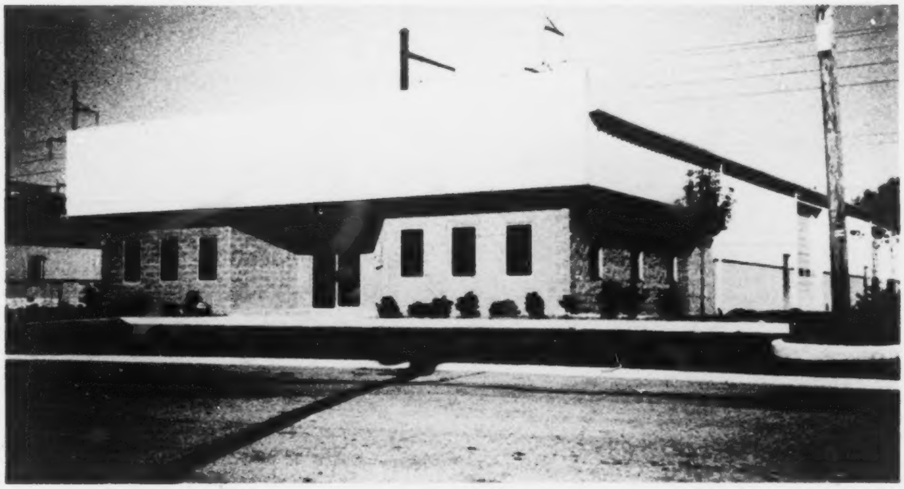
Cost Components	Total Cost	Cost/ Square Foot
Building	$1,485,428	$22.17
Site Work	302,573	4.52
Total	$1,788,001	$26.69

Area
67,000 sq. ft., 1-story flex spec building.

Construction
Steel frame with split face masonry and metal panels.

Specific Features
20' clear height, fully sprinklered, skylights, dock loading.

SIX REPRESENTATIVE BUILDINGS (CONTINUED) :



NEWPORT
315 Water Street
January 1991
New Castle County

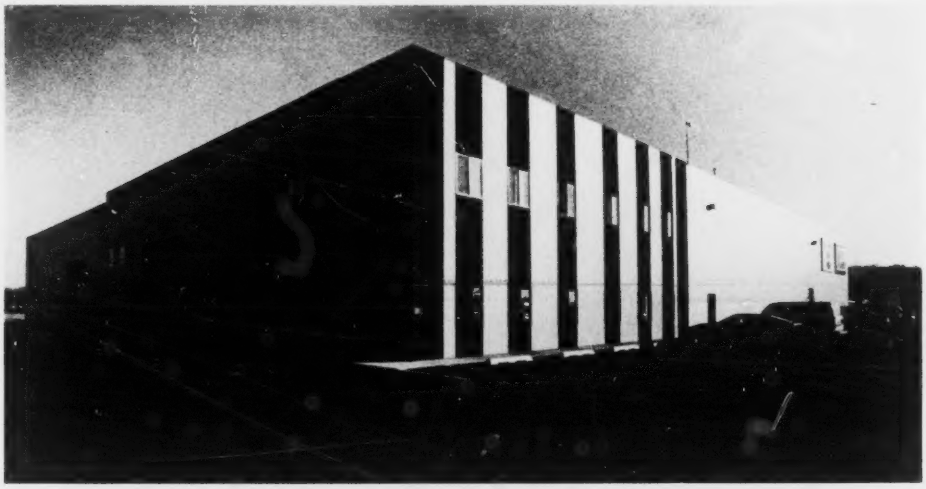
Cost Components	Total Cost	Cost/ Square Foot
Building	$174,000	$18.35
Site Work	40,000	4.22
Total	$214,000	$22.57

Area
9,480 sq. ft., 1-story industrial building with office space.

Construction
Steel building with masonry walls, reinforced concrete floors.

Specific Features
60' clear span, 14' truck doors, 17' clear height, ample parking with additional yard area.

SIX REPRESENTATIVE BUILDINGS (CONTINUED) :



PEPSI HARRINGTON WAREHOUSE
U.S. 13
May 1990
Kent County

Cost Components	Total Cost	Cost/ Square Foot
Building	$1,250,000	$32.89
Site Work	200,000	5.26
Total	$1,450,000	$38.15

Area
38,000 sq. ft., 1-story industrial building with 2-story office facility.

Construction
Steel panel building with masonry front, concrete floor.

Specific Features
Two truck docks, 22-28' span, fully equipped with sprinklers.

SECTION X

QUALITY OF LIFE

Delaware provides a variety of leisure time offerings, including world-class museums, historic sites, gardens, performing arts, unique festivals, many special events, tax-free shopping, and outdoor recreation facilities.

Although situated in the densely populated Northeast Corridor, Delaware retains extensive open space and an easy-going lifestyle. Delaware residents enjoy the comfortable pace of their home state and tap the rich historic, cultural, and recreational attractions which are all within a two-hour drive.

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COST-OF-LIVING COMPARISONS :

In January 1991, the Runzheimer Company prepared a cost-of-living analysis for two cities in Delaware compared with the nation's "Standard City." Runzheimer used an income level of $30,000; assumed a family of four which owned its home; and compared transportation, tax, and housing costs. The cost-of-living in Dover was found to be 6.5% lower than that of the "Standard City" (which represents the arithmetic mean of the living costs in 100 representative U. S. cities) while Wilmington cost-of-living was 1.4% below that of the "Standard City."

Index of Living Costs

	Family Income $30,000
Dover, DELAWARE	93.5
Wilmington, DELAWARE	98.6
Washington, DC	117.9
Chicago, Illinois	113.5
Baltimore, Maryland	110.1
Salisbury, Maryland	99.0
Boston, Massachusetts	123.5
Trenton, New Jersey	113.1
New York, New York	127.2
Harrisburg, Pennsylvania	100.6
Wilkes-Barre, Pennsylvania	101.8
Philadelphia, Pennsylvania	115.6
Raleigh, North Carolina	99.0
Standard City, USA	100.0

Source: Runzheimer and Company, Inc., Rochester, Wisconsin, January 1991.

HOME PRICES ARE COMPETITIVE :

Homes in Delaware are available and affordable, and as a result, the predominant form of living in the State is in owner-occupied housing. The 1980 census indicated that over 69% of Delaware families owned their own homes compared with the nationwide average of less than 65%.

Delaware offers a wide variety of housing choices, including Sussex County beach cottages, Kent County farmhouses and historical settings, and a wide assortment in New Castle County. A brief description of some Delaware communities is included later in this section. The average construction cost of a new home in New Castle County was $54,700 in 1990, Kent County's average was $74,900 and the average in Sussex County was $84,100. These costs compare favorably with the average construction cost of $103,000 nationwide.

The price an average family must pay for a home in Delaware is considerably below the national average and compares very favorably with the surrounding metropolitan areas. For example, a family earning $30,000 and purchasing homes of comparable size and quality can expect to pay 17.9% less than the national average for their home in Dover.

Average Home Market Value, by Income Level
January 1991

	Family Income
	$ 30,000
Dover, DELAWARE	$ 63,500
Wilmington, DELAWARE	77,800
Washington, DC	140,400
Chicago, Illinois	114,600
Baltimore, Maryland	110,100
Boston, Massachusetts	146,300
Trenton, New Jersey	116,000
New York, New York	132,500
Philadelphia, Pennsylvania	118,000
Standard City, USA	77,300

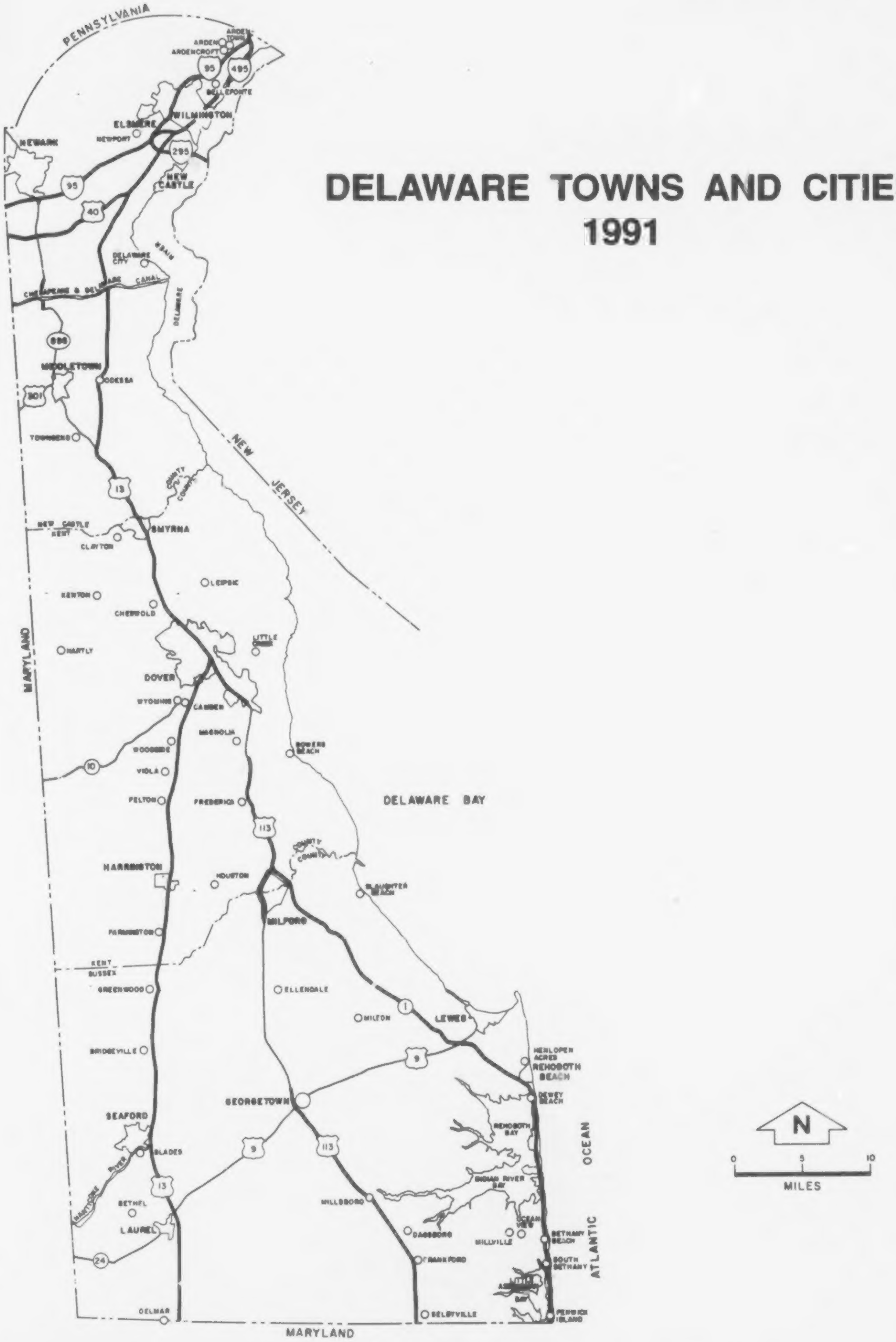
Source: Runzheimer and Company, Inc., Rochester, Wisconsin, January 1991.

PROFILE OF TOWNS AND CITIES :

There are 57 incorporated municipalities in Delaware with populations ranging from 107 to over 71,000 persons. There are 13 incorporated areas in New Castle County, 18 in Kent County, 24 in Sussex County, and two which are bi-county. Although the 1980 census classifies over 70% of the State's population as urban, only 31% reside within incorporated areas. Each of Delaware's towns and cities, a few of which are described below, has its own unique history, charm, and atmosphere.

- **Arden** - A picturesque artisan community founded by artists and crafts people in 1900.
- **Wilmington** - Delaware's largest city with a center-city shopping mall featuring restaurants and outdoor cafes, an immaculately renovated turn-of-the century opera house, and a complex of historic homes. A variety of ethnic neighborhoods intersperse with commercial districts and elegant new or restored residential districts. The Christina and Brandywine Gateways frame the downtown area, along with the historic New Sweden district on the Seventh Street Peninsula. The latter was the site of the first permanent settlement of Swedes and Finns in North America, in 1638.
- **New Castle** - The State's original eighteenth-century colonial capital and William Penn's first landing spot in North America on the Delaware River.
- **Newark** - Home of the University of Delaware, numerous corporate headquarters and distribution centers.
- **Dover** - Capital of the State, combining government complex with impressive historic area, small town atmosphere, and the Dover Air Force Base.
- **Harrington** - Site of the annual Delaware State Fair, a major harness racing track. Historically significant railroad town.
- **Milford** - Included in boundaries of Kent and Sussex Counties. Founded as a shipbuilding town, now home of the World Champion Weakfish Tournament on Delaware Bay.
- **Milton** - Classic example of life in a small historic town. Extensive Victorian home district in relatively undiscovered rural area. Its ice cream parlor is renowned throughout the region.
- **Lewes** - Quiet, significantly historical fishing village near the juncture of the Delaware Bay and Atlantic Ocean. One of the earliest East Coast Dutch settlements now famous for its restaurants, charter fishing boats, historic attractions.
- **Rehoboth Beach** - Nicknamed "The Nation's Summer Capital," a nationally recognized seaside resort known for its boardwalk of shops and restaurants.
- **Millsboro** - Small town known as home of Delaware's only surviving Indian tribe, the Nanticokes. At the heart of Sussex County's back bay area.
- **Seaford** - Home of the DuPont Company's Nylon plant, small town combination of sophistication and a "down-home" feeling.
- **Laurel** - Once a bustling town, now a small farming community best known for its daily commodity auctions and huge weekend flea market.
- **Delmar** - Divided, as the name indicates, by the Delaware-Maryland state line.
- **Bethel** - Located on the north bank of Broad Creek near Laurel, the entire town is on the National Register.
- **Georgetown** - County seat of Sussex County by virtue of its location in the middle of the county. The town's real glory happens every two years - the celebration of Return Day, two days after Election Day.

DELAWARE TOWNS AND CITIES
1991



SOURCE: DELAWARE DEPARTMENT OF TRANSPORTATION. "OFFICIAL MAP, DELAWARE HIGHWAYS."

OUTDOOR RECREATION AND OTHER ACTIVITIES :

Delaware's moderate climate encourages many outdoor recreational activities throughout the year. Many inexpensive public and private facilities offer freshwater or ocean activities, tennis, golf, bicycling, boating, camping, hunting, and sightseeing. Exceptional local, county, and state recreational programs support those facilities. For example, a recent study conducted by Runzheimer and Company cites recreation costs in Dover and Wilmington are below the national average.

Parks

Delaware has an impressive system of state, county, and local parks. Publicly-supported recreation and arts programs complement special clinics, lectures, and other community outreach programs offered by these areas. Brandywine Park, for instance, lies adjacent to the Brandywine Zoo and is a favorite for Wilmington's children.

Delaware's State parks and their special features include:

- Brandywine Creek - Boating, fishing, nature center, cross-country ski trails, labeled hiking trails, and an 18-hole disc golf course.
- Bellevue - Horseback riding, tennis, outdoor concerts, fitness track and a-hole disc golf course.
- Walter S. Carpenter, Jr. - Nature trails, youth camping, horseback riding, and fishing.
- Fort Delaware on Pea Patch Island - Boat ride to the island, museum, and fort with dungeons that served as a prisoner-of-war camp for Confederate soldiers.
- Lums Pond - Camping, boating, picnicking areas, fishing, pond swimming, hiking, horseback riding trails, new marina on C&D Canal, fitness trail, and an 18-hole disc golf course.
- Killens Pond - Pool swimming, boating, fishing, camping, and hiking trails.
- Cape Henlopen - Beach area on Delaware Bay and Atlantic Ocean, swimming, fishing, boating, showers and facilities for camping, hiking trails, disc golf and nature trails, tennis, basketball courts and softball field.
- Delaware Seashore - Atlantic Ocean beach, camping, surfing, swimming, boating, surf fishing, marina, wind surfing, launching ramps, a charter-boat fleet and party boats.
- Holt's Landing - Boat access to Indian River Bay, swimming, fishing, crabbing and clamming.
- Trap Pond - Camping, boating, fishing, swimming, hiking. The northernmost stand of bald cypress in North America.
- Fenwick Island - Atlantic Ocean beach, fishing, swimming, surfing, sailing and small rental boats.

OUTDOOR RECREATION AND OTHER ACTIVITIES (continued) :

Boating

Calm lakes, inland bays, and the open waters of Delaware Bay provide excellent boating and sailing opportunities in Delaware. Public boat access facilities are available at Augustine, Woodland and Bowers Beaches; Port Mahon, Cedar Creek, Milton, Lewes, Rosedale Beach and Phillips Landing.

Fishing

Delaware offers a variety of fishing with its many freshwater ponds, Delaware Bay, and Atlantic Ocean access. During the season, Delaware Bay is alive with sea trout and bluefish, while the lower bays contain blues, flounder and taug. For a relaxing day of Bay or Atlantic deep-sea fishing, Delaware has a large contingent of boat captains offering charter and head boat services. Most are located in Lewes, Indian River Inlet, or Bowers Beach and operate between April and November. Delaware's growing list of outstanding fishing tournaments includes Southern Delaware's World Champion Weakfish Tournament.

Delaware's Atlantic Ocean beaches are rated among the ten best in the country by the nation's travel industry and boast excellent surf fishing. For freshwater enthusiasts, Delaware has more than 30 public millponds that breed panfish, chain pickerel, largemouth bass, bluegills, and yellow perch.

Shellfishing

The hard clam and blue crab top the list of preferred shellfish in Delaware. Crabbing is popular on many piers, bridges, and canals, while clams are found in many sections of the Indian River, Rehoboth and Little Assawoman Bays.

Hunting

Situated midway on the Atlantic Flyway, Delaware hosts large concentrations of wintering waterfowl, especially Canada geese. Quail, squirrels, cottontails, woodcock, white-tailed deer and raccoon also offer excellent seasonal hunting throughout the State.

There are 30,000 acres of State wildlife areas and 6,000 acres of State forests open to public hunting. They provide 160 waterfowl blinds, most of which are accessible only by water. In addition, four State parks -- Cape Henlopen, Delaware Seashore, Lums Pond and Walter S. Carpenter -- offer public access areas for licensed hunters.

At Bombay Hook National Wildlife Refuge, restricted public hunting is permitted for deer, waterfowl, and, in one small area, upland game. Goosehunting is the major attraction of this area. About 3,500 of the Refuge's 15,200 acres are open to hunting. Prime Hook National Wildlife Refuge, with 8,817 acres, has 25 waterfowl blinds and numerous areas designated for upland game hunting.

OUTDOOR RECREATION AND OTHER ACTIVITIES (continued):

Racetracks

Delaware's three racetracks host a variety of horse and auto racing events. For horse racing, the tracks at Harrington Raceway and Dover Downs feature harness racing schedules. Thoroughbred racing fans enjoy Delaware Park.

Although not held at a formal track, an increasingly popular Point-to-Point horse race is sponsored each May by Winterthur Museum and Gardens.

The Dover Downs track also features a second track for two major NASCAR stockcar races held each year.

Shopping

Delaware offers excellent shopping opportunities -- all TAX-FREE! Major shopping malls located within Delaware's larger communities and near major highways in northern and central Delaware offer selection and convenience for shoppers. Delaware also boasts a wide selection of company outlet stores, discount stores, and antique shops. One of Delaware's newest shopping complexes is Ocean Outlets Mall in Rehoboth Beach, Delaware.

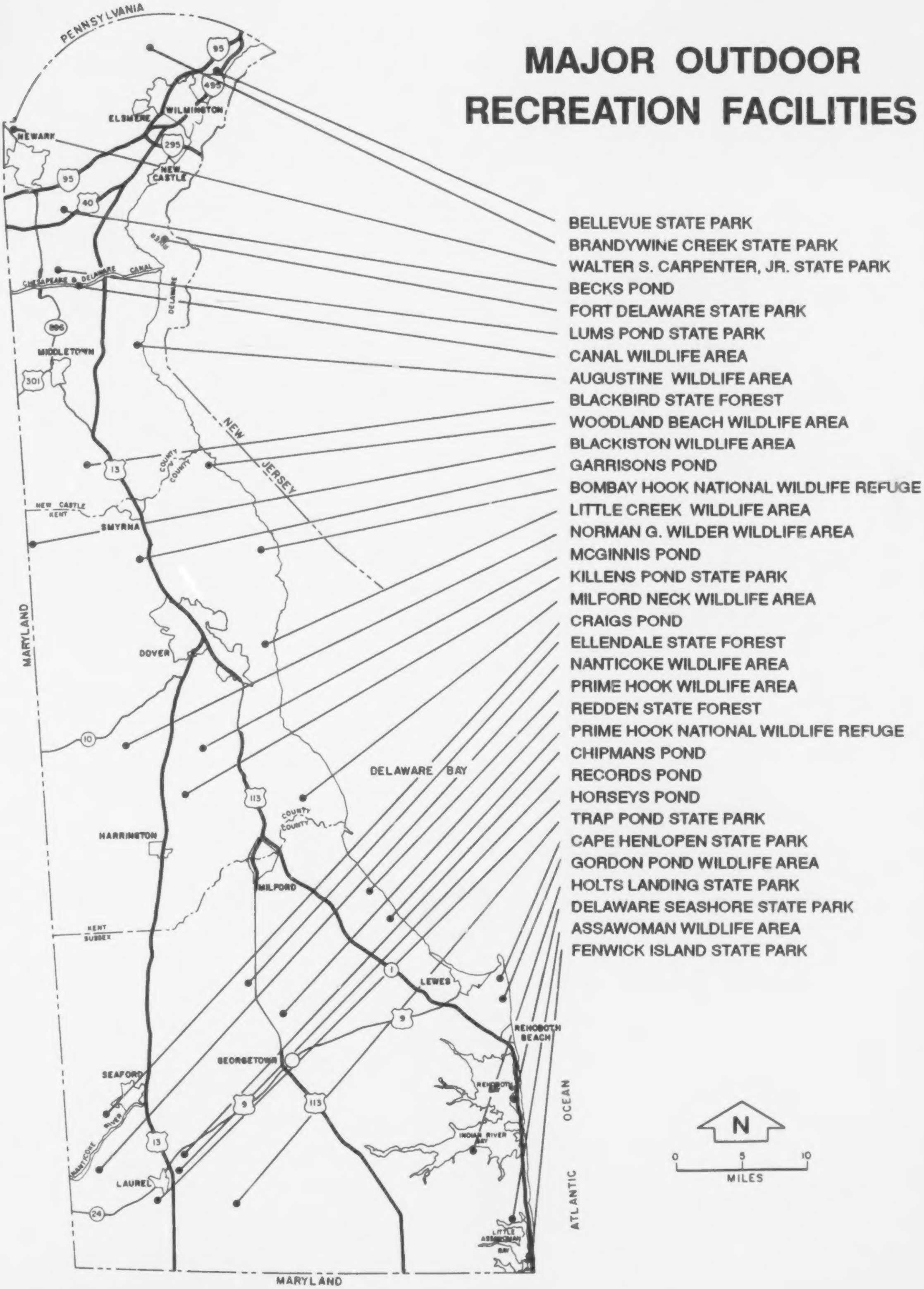
Shopping sites are often nearby attractions, entertainment and corporate centers, especially in northern Delaware. Along pedestrianized Market Street Mall in downtown Wilmington, shops, historic sites, theater, offices, restaurants and sidewalk cafes operate together in the commercial hub of Delaware's largest city. This Mall bustles with activity year-round. The Christiana Mall, Delaware's largest shopping complex and a full complement of unique museum shops and small boutique shopping centers, such as Greenville Center and Powder Mill Square near Wilmington, also augment shopping possibilities in northern Delaware.

Other Leisure Activities

For those interested in learning about Delaware's rich history and getting in some light exercise at the same time, many of Delaware's cities provide historic walking tours. Most, such as Lewes, are self-guided tours, but Wilmington, New Castle, and Dover have guide services available. Almost all of the larger parks and recreation areas in Delaware have marked nature and hiking trails. For runners, Lewes and Fenwick Island sponsor annual seashore running competitions.

The popular Wilmington Skating Club offers occasional performances as well as a public ice skating rink. Two of its alumni are Olympic metalists Kitty and Peter Carruthers. The University of Delaware in Newark and Delaware Technical and Community College in Georgetown also have public ice-skating rinks.

MAJOR OUTDOOR RECREATION FACILITIES



BELLEVUE STATE PARK
BRANDYWINE CREEK STATE PARK
WALTER S. CARPENTER, JR. STATE PARK
BECKS POND
FORT DELAWARE STATE PARK
LUMS POND STATE PARK
CANAL WILDLIFE AREA
AUGUSTINE WILDLIFE AREA
BLACKBIRD STATE FOREST
WOODLAND BEACH WILDLIFE AREA
BLACKISTON WILDLIFE AREA
GARRISONS POND
BOMBAY HOOK NATIONAL WILDLIFE REFUGE
LITTLE CREEK WILDLIFE AREA
NORMAN G. WILDER WILDLIFE AREA
MCGINNIS POND
KILLENS POND STATE PARK
MILFORD NECK WILDLIFE AREA
CRAIGS POND
ELLENDALE STATE FOREST
NANTICOKE WILDLIFE AREA
PRIME HOOK WILDLIFE AREA
REDDEN STATE FOREST
PRIME HOOK NATIONAL WILDLIFE REFUGE
CHIPMANS POND
RECORDS POND
HORSEYS POND
TRAP POND STATE PARK
CAPE HENLOPEN STATE PARK
GORDON POND WILDLIFE AREA
HOLTS LANDING STATE PARK
DELAWARE SEASHORE STATE PARK
ASSAWOMAN WILDLIFE AREA
FENWICK ISLAND STATE PARK

Source: Delaware Development Office

MAJOR HISTORIC AND CULTURAL ATTRACTIONS :

Historic Sites and Districts

- Wilmington - Largest urban and historic area in Delaware.
    - Willingtown Square and Old Town Hall - Located on Market Street Mall, a group of 18th-century homes. The Town Hall contains a museum of Delaware silver and furniture belonging to the Historical Society of Delaware.
    - Fort Christina - Site of the first permanent settlement in Delaware. In 1638, the first Swedish immigrants to North America landed here.
    - Kalmar Nyckel Boatyard - The ship that carried those Swedish and Finnish immigrants to North America is being rebuilt here.
    - Old Swedes Church - Oldest church in America standing as originally built and regularly used for religious services.

- Brandywine Valley - The rolling hills of the area north and west of Wilmington are home to fine museums and elegant country estates.

- Old New Castle - Delaware's colonial capital on the Delaware River.
    - Amstel House - Early 18th-century home of New Castle's famous "green umbrella" and headquarters of the New Castle Historical Society.
    - Old Dutch House - A 17th-century home depicting the influence of the Dutch on life in Delaware.
    - Old Court House - Built in 1732, this building once was Delaware's colonial capitol building and county seat.
    - Immanuel Episcopal Church - Built in 1703, the first church of England Parish in Delaware.
    - George Read II House - A notable example of Georgian architecture and home of the son of a signer of the Declaration of Independence.
    - Old Library Museum - Hexagonal Victorian building, built in 1892.

- Odessa - This town features a district of historic homes, three owned and operated by Winterthur Museum: the Brick Hotel, the Corbit-Sharp House, and the Wilson-Warner House, all featured as Historic Houses of Odessa.

- Dover - The Green - Historic Square laid out in 1722 in accordance with William Penn's orders. Center of life for the county seat and State capital.
    - Christ Episcopal Church - Built in 1734, a monument to Delaware's Caesar Rodney, a signer of the Declaration of Independence, can be found in the grave yard.
    - Old State House - Located on The Green, the second oldest state house in continuous use in the country. It still serves as Delaware's ceremonial capital building although all government activity has been transferred to nearby Legislative Hall.
    - Delaware Agricultural Museum - Creative displays and special events depict 200 years of farm life on the Delmarva Peninsula.
    - Delaware State Museum - Small complex of buildings in downtown Dover, featuring exhibits on all aspects of Delaware life and the country's only complete collection of Victor Talking Machines.

MAJOR HISTORIC AND CULTURAL ATTRACTIONS (continued) :

- South of Dover, John Dickinson Mansion - The boyhood home of John Dickinson, "Penman of the Revolution."

- Frederica, Barratt's Chapel - Erected in 1780, it is known as the "Cradle of Methodism in America."

- South Bowers, Island Field Site and Archaeological Museum - A museum built over a prehistoric Indian cemetery to exhibit the burial site's findings.

- Lewes Historic District - Features a number of outstanding sites including a marine museum, Thompson Country Store, Rabbit's Ferry House, Burton-Ingram House, Plank House, and Old Doctor's Office. Nearby is the Zwaanendael Museum, erected in 1931 to commemorate the first settlement in Delaware by the Dutch (1631).

- Georgetown - Centerpiece of this town is "The Circle," a park in the center of town, site of the traditional "Return Day" held after every election for winners and losers to meet and greet. Both the old and new Sussex County courthouses are nearby.

- Fenwick Island, Lighthouse - This landmark is near the base of one of the first markers of the Delaware-Maryland border included on the Mason-Dixon line survey.

- Delmar - The "highball signal" and a small museum of relics from the Delmarva Peninsula's railroad may be found west of town.

Museums

- Brandywine Valley Museums - A collection of some of the finest museums in the country within a ten-square-mile area.

    - Winterthur Museum and Gardens - The world's finest collection of decorative arts made or used in America, 1640-1840, with extensive gardens in the style of an English country park.
    - Delaware Museum of Natural History - One hundred exhibits including over one million bird eggs, the third largest collection of seashells in the Western Hemisphere, and an international collection of mammals. Features a living Australian barrier reef.
    - Hagley Museum and Eleutherian Mills - Museum of 19th-Century industrial life, including the first Du Pont powder mills and the du Pont family homestead and gardens.
    - Nemours - Magnificent Louis XVI-style chateau and gardens built for Alfred I. du Pont in 1909-1910.
    - Longwood Gardens - World's largest display gardens with a four-acre Conservatory, open-air theater and illuminated fountains.*
    - Brandywine River Museum - Restored, century-old gristmill featuring the Wyeth family collection of paintings and the Brandywine tradition of illustration.*

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*Just across the State line in Pennsylvania.

MAJOR HISTORIC AND CULTURAL ATTRACTIONS (continued) :

- Rockwood - Victorian period in Delaware illustrated by a house and gardens.
- Delaware Art Museum - Built to house the works of Howard Pyle, this museum specializes in American art and has the second largest collection of 19th Century English Pre-Raphaelite paintings in the world.

Performing Arts

- Grand Opera House - Meticulously restored 1871 victorian opera house with majestic cast-iron facade hosts a variety of world class performing artists. Home of the Delaware Symphony Orchestra and OperaDelaware.

- The Playhouse - Located in the Du Pont Building, Wilmington, this theater features first-run Broadway plays year-round.

- Delaware Theatre Company - Resident, professional troupe produces a full season of plays in downtown Wilmington and throughout the State.

- Other Theaters - The Candlelight Music Dinner Theater in Arden and the Three Little Bakers Dinner Theater in Newark provide a variety of shows throughout the year. In addition, Wilmington, Newark, Dover, Milford, and Georgetown have active local community theater groups. Dover's Regional Ballet Company is known for its annual performance of "The Nutcracker" and for producing fine professional dancers. Summer theater is offered at Longwood Gardens' open-air theater. The Delaware Children's Theater, in Wilmington, provides entertainment for young people.

Miscellaneous Historic and Cultural Attractions

- Wilmington and Western Railroad - Authentic turn-of-the-century steam train that offers trips through the scenic Red Clay Valley.

- Lincoln Room of the University of Delaware - Located at the University's Goodstay Center, this collection contains over 2,000 items pertaining to Lincoln's public career and private life.

- Rehoboth Art League - Housed in the Homestead, this League conducts exhibits and classes during the summer.

For a complete tour guide to the State of Delaware, a State Map, and an annual Calendar of Events, write or call the Delaware Tourism Office, 99 Kings Highway, P.O. Box 1401, Dover, Delaware 19903. (302) 739-4271; out-of-state - (800) 441-8846; in-state - (800) 282-8667.

OTHER ATTRACTIONS WITHIN A TWO-HOUR DRIVE :

The following list illustrates some of the major historic and cultural attractions as well as other recreational activities which are within easy reach of all points in Delaware.

- Metropolitan New York and New Jersey
    - History and Museums - South Street Seaport, Metropolitan Museum of Art, Museum of Modern Art, the Whitney Museum, Smithville, Cape May.
    - Performing Arts - Lincoln Center, Carnegie Hall, Broadway.
    - Sports - Yankees and Mets baseball, Jets and Giants football, Islanders and Rangers hockey, Knicks and Nets basketball, and Cosmos soccer.
    - Gambling Casinos - Atlantic City.
    - Cruises - New York harbor and the Hudson River.
    - Shopping - New York City and outlet stores throughout New Jersey.
    - Theme Park - Great Adventure and Safari.

- Philadelphia and Nearby Pennsylvania
    - History and Museums - Independence Hall, Society Hill, Valley Forge, Philadelphia Museum of Art, Rodin Museum, and Franklin Institute.
    - Performing Arts - Philadelphia Orchestra, Pennsylvania Ballet, Forest Theatre, Walnut Street Theatre.
    - Sports - Phillies baseball, Eagles football, Flyers hockey, Fever soccer, and 76'ers basketball.
    - Theme Parks - Sesame Place and Hershey Park.
    - Shopping - Bucks County antiques, Lancaster Farmers' Market, outlet shops in Lancaster, Reading, and King-of-Prussia Plaza.
    - Winter Sports and Whitewater Canoeing - Pocono Mountains.

- Baltimore and Annapolis
    - Historic and Museums - Fort McHenry, Walters Gallery, B & O Railroad Museum, National Aquarium, and the Maryland Science Museum.
    - Performing Arts - Baltimore Symphony, Mechanic Theatre, Center Stage.
    - Sports - Orioles baseball, Blast soccer.
    - Boating - Chesapeake Bay sailing, Baltimore harbor paddle-boating, and harbor cruises.
    - Shopping - Baltimore Inner Harbor.

- Metropolitan Washington, DC
    - History and Museums - The White House, Smithsonian Institution, Halls of Congress, Washington Monument, Library of Congress, Lincoln and Jefferson Memorials, National Gallery of Art.
    - Performing Arts - The Kennedy Center, Wolf Trap, Arena Stage.
    - Sports - Redskins football, Capitols hockey, and Bullets basketball.
    - Boating - Sailing and cruises on the Potomac River.
    - Parks - Great Falls of the Potomac, National Zoo, and National Arboretum.

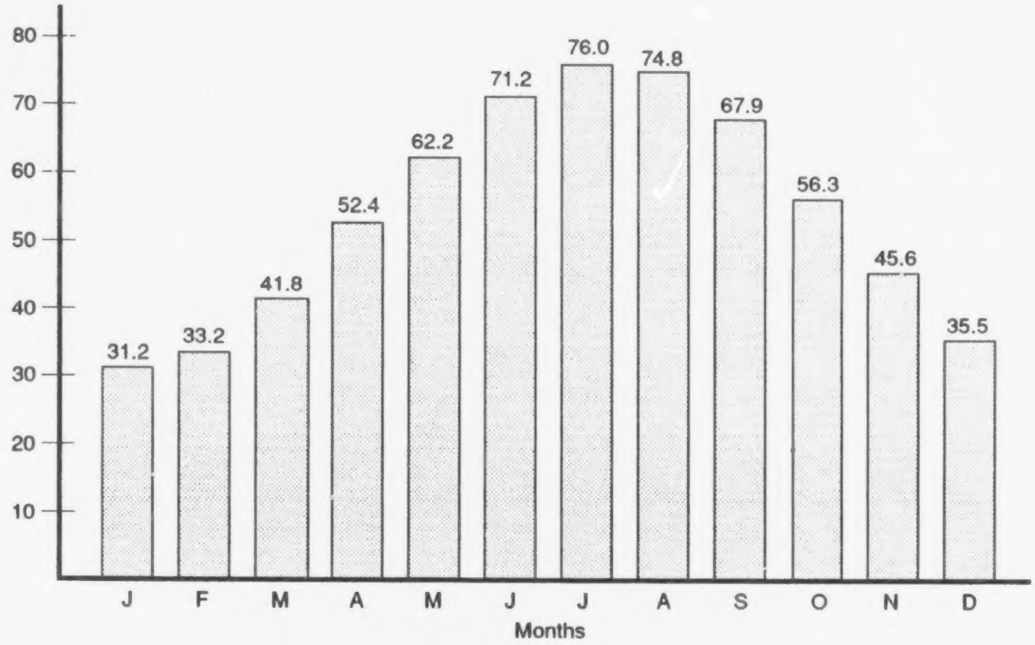
- Eastern Shore of Maryland and Virginia
    - History and Museums - Walking tours of St. Michaels and Easton, Maryland, the Waterfowl Museum in Salisbury and Maritime Museum in St. Michaels, Maryland.
    - Boating - Charter and head boat operations throughout the area, cruises from Crisfield to Smith and Tangier Islands, coastal cruises from Ocean City.

MODERATE AND PLEASANT CLIMATE :

One of Delaware's attractive assets is a generally moderate and pleasant climate with a normal daily mean temperature of 54 degrees Fahrenheit. The State experiences four distinct seasons with an average monthly temperature range of 31 to 76 degrees, and an annual average of 41 inches of precipitation. The State's climate provides the agricultural industry the advantage of double, and often triple, cropping.

Average Temperature by Months - Wilmington, Delaware

Degrees (Fahrenheit)



Source: U. S. Department of Commerce, Bureau of the Census, Statistical Abstract of the United States, 1990.

LOWER INCIDENCE OF MAJOR CRIME :

Compared with both the nation and its neighboring states, Delaware should be considered a relatively safe place to work and live, as illustrated by the table below. Property crimes follow similar trends.

Violent Crimes*
(Per 100,000 Population)

	Delaware	Regional Average**	United States
1989	556.5	743.6	663.1
1988	451.7	712.2	637.2
1987	430.7	715.1	609.7
1986	432.4	715.4	617.3
1985	439.7	679.1	556.0
1984	450.3	661.3	539.2
1983	450.1	673.3	529.1
1982	500.5	725.3	555.3
1981	504.5	770.3	576.9
1980	474.8	742.4	580.8

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* Violent crimes include murder, rape, aggravated assault and robbery.

** Mideastern states are Maryland, New Jersey, New York and Pennsylvania.

Source: U.S. Department of Justice, Federal Bureau of Investigation, Crime in the United States Uniform Crime Report; Delaware Statistical Analysis Center, Crime in Delaware.

A FULL RANGE OF HEALTH CARE SERVICES :

Medical facilities include short-term acute care hospitals, nursing homes, mental health facilities, a veterans' hospital, and a military hospital. These facilities, which provide medical services to all geographic areas of the State, are outlined in the table below.

Delaware Health Care Facilities: 1990

Type	Number	Care	Beds
General Hospitals	7	Short-term Acute	2,004 [1,3]
Veterans Hospitals	1	Short-term Acute	285
Military Hospitals	1	Short-term Acute	35
Nursing Homes	49	Skilled Intermediate	4,998 [3]
Mental Health Facilities	10 [2]	Psychiatric	988 [3]

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[1] Excluding psychiatric.
[2] Five of these facilities are located in short-term acute care general hospitals.
[3] Approved.

The State's community hospitals are fairly evenly dispersed throughout the State. There is also a tertiary care referral center located in New Castle County.

Emergency care is provided by area hospitals which have emergency treatment facilities staffed on a 24-hour basis. Fifty-one ambulance companies provide emergency medical response to all areas of the State.

The Alfred I. du Pont Institute provides diagnostic evaluation, treatment, education and research in orthopedic, plastic surgery, sports medicine, neuromuscular disorders, and other developmental problems for children.

Delaware's close proximity to major military and teaching hospitals located in the Washington, DC; Baltimore; and Philadelphia areas expand health-care opportunities available to State residents.

A FULL RANGE OF HEALTH CARE SERVICES (continued) :

In addition to a full range of medical facilities, Delaware has attracted a sufficient number of medical personnel to serve the health needs of Delaware residents, as indicated in the table below.

Licensed Health Personnel, 1990
(Rate Per 100,000 of Population)

Occupation	Total	Occupation	Total
Physicians (M.D.s)	259.3	Registered Nurses	1,331.2
Physicians (D.O.s)	33.7	Licensed Practical Nurses	416.9
Dentists	49.7	Speech Pathologists	33.5
Physical Therapists	57.7	Pharmacists	116.0

Source: Bureau of Health Planning and Resources Management.

LOWER HEALTH CARE EXPENDITURES :

Health care expenditures are a major concern of both business and individuals. Delaware health care expenditures compare very favorably with the nation as illustrated below.

Health Care Expenditures
Delaware and the United States: 1978 and 1982

	Delaware			United States		
Personal Health Care Expenditure	Per Capita 1978	Per Capita 1982	1978-1982 % Inc.	Per Capita 1978	Per Capita 1982	1978-1982 % Inc.
Hospital Care	$345	$552	60.0	$339	$577	70.2
Physicians' Services	148	252	70.3	161	267	65.8
Dentists' Services	51	86	68.6	53	84	58.5
Drugs and Medical Sundries	73	98	34.2	69	94	36.2
Nursing Home Care	60	86	43.3	68	114	67.5
Other Personal Care	52	79	51.9	56	84	50.0
Total	$729	$1,153	58.2	$746	$1,220	63.5

Source: Bureau of Health Planning and Resources Management.

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